
Both countries have reinforced troops along the Senegal River.

Case of the \$500,000 Vintage Blunder

By Howard G. Goldberg

New York Times Service

NEW YORK — To William Sokolin, a New York wine merchant with a penchant for publicity, the dinner at the Four Seasons was an irresistible opportunity.

To his possession was a bottle, which wine experts believe was once owned by Thomas Jefferson, that he had been trying to sell for \$519,750.

The dinner, at which some of New York's most devoted wine buffs gathered to herald the arrival of the 1986 Bordeaux vintage, seemed like just the place to draw some attention to his treasure, Mr. Sokolin said.

Attention was what he got. Walking into a metal-topped tray table, Mr. Sokolin knocked two holes in the back of the smoky-green bottle. As he watched aghast, red wine gushed out, soaking the rug.

Describing the incident, Mr. Sokolin said, "I did something terrible. I'm very unhappy. I was in shock. I committed murder."

In the aftermath of the incident Sunday, Mr. Sokolin found himself facing potential problems with the State Liquor Authority.

Mr. Sokolin said he had taken the bottle on consignment from Whitwhams, near Manchester, England, which exports fine old wines. Timothy Littler, the managing director of Whitwhams, said Sokolin had been billed \$212,000, the amount the bottle was insured for.

Mr. Sokolin said he had not paid the bill. According to the State Liquor Authority, it is illegal to sell wine on consignment. Richard Chernela, a spokesman, said wine offered for retail sale must be bought from a licensed importer who brought it into the United States, or from a distributor.

Last October, Mr. Littler said, he packed the 1787 Margaux in a tennis bag, flew to Kennedy International Airport, handed the bottle to Mr. Sokolin, turned around and flew back to England.

An importer and distributor, who did not want to be identified, said he told Mr. Sokolin that "if it comes to pass that he can sell the wine," he would provide paperwork that showed that the wine had been properly imported, that "12 cents in federal duties and taxes" had been paid, and that other federal and state requirements had been satisfied.

When Mr. Sokolin put the broken bottle down on a counter to retrieve his coat, some Margaux leaked out. Three people put their finger into it to taste it. Julian Nicolini, the restaurant manager, said the wine was maderized; that is, it had undergone chemical deterioration and smelled like Madeira.

NATO: In Allies' Missile Dispute, West Germany Can Still Count on Help

(Continued from Page 1)

among our Continental European partners for the German position."

Although it shifts subtly on different issues, the West German coalition within NATO typically includes Belgium, the Netherlands, Norway, Denmark, Italy, Spain, Greece and Luxembourg. On the issue of short-range missile negotiations, the Netherlands has taken the U.S. and British position, but Dutch officials have been active in seeking to bridge the gap between Bonn and Washington.

A decisive turn in Bonn's favor occurred after President Francois Mitterrand of France was re-elected to a second seven-year term in May.

In his first term, Mr. Mitterrand observed a stern vigilance toward

the Soviet Union, pleading in the West German Parliament in 1983 for the deployment of U.S. medium-range missiles. But in his second term, he has accommodated French strategic doctrine in the spreading anti-nuclear sentiment in West Germany.

Well before Washington or London came to the same conclusion, Mr. Mitterrand argued that it was futile to press the beleaguered Mr. Kohl to endorse the replacement of the aged Lance short-range nuclear missiles before the parliamentary elections in West Germany in 1990.

And though France is hostile to the new West German demand for superpower negotiations on short-range missiles and nuclear artillery, a senior adviser to Mr. Mitterrand said it was unwise for NATO to

stake out a public position against such talks.

"One has to understand the German reaction," the Mitterrand adviser said. "If France's defense were assured by short-range American missiles on French soil, the reaction of the French would be the same as the Germans' today."

Rather than veto the German demand for short-range missile negotiations, as the Bush administration did, the French official suggested that NATO should seize the initiative and propose to the Soviet Union that it reduce its short-range arsenal, now overwhelmingly superior, to roughly the same level as the alliance's 88 Lance launchers, most of which are stationed in West Germany.

To satisfy West German opin-

ion, NATO might lower the ceiling to 66 launchers or so, he added.

The conversion of France to the role of an explainer, if not always a defender, of German positions within the alliance means that Mr. Kohl and his influential foreign minister have France halfway in their camp.

By pushing for "speedy" negotiations on short-range nuclear systems, the Kohl government has implicitly threatened to disrupt the gathering of NATO heads of government in Brussels on May 28 and 29. Yet despite their Continental alliances, the Germans do not have the power to override the U.S. veto.

"The Americans can't modernize Lance without the Germans, and the Germans can't negotiate without the Americans," said Josef Joffe, foreign editor of *Süddeutsche Zeitung* in Munich. "One likely outcome is that each side will torpedo the other."

Some Cheney Cuts Worry Senators

The Associated Press

WASHINGTON — The chairman of the Senate Armed Services Committee, Sam Nunn of Georgia, praised Defense Secretary Dick Cheney on Wednesday for the "tough decisions" in his proposed cuts in the Pentagon budget, but expressed concern about some specific reductions.

The ranking Republican on the committee, Senator John Warner of Virginia, said that he gave Mr. Cheney "high marks" for the military budget plan for 1990 and that he believed the Democratic-controlled Congress would "follow the Bush-Cheney plan closely."

They commented a day after Mr. Cheney outlined planned cuts totaling \$10 billion before the House Armed Services Committee.

Mr. Cheney's Defense Secretary Cheney and President Bush stepped up to the plate and made some tough decisions here under very tough circumstances," Mr. Nunn, a Dem-

ocrat, said on an ABC television interview program.

But he said he was "very concerned" about the decision to scrap the Marine Corps' V-22 Osprey, an airplane designed to take off vertically.

"That has very strong implications for future commercial aviation as well as for the military," Mr. Nunn said.

The Pentagon had hoped to spend \$25.9 billion on 663 Ospreys, including \$1.3 billion in 1990. Mr. Cheney said the decision to drop it was his most difficult one on the fiscal 1990 budget.

Meanwhile, the House embarrassed its Democratic leaders on Wednesday by crushing a major amendment and forcing them to pull a \$4.7 billion domestic spending bill off the floor.

Leaders wanted to pay for the spending by slashing military, technology and other programs. But by a vote of 252 to 172, with

minority Republicans being joined by enough Democrats seeking to protect their favorite programs, the House rejected a Democratic amendment that would have mandated \$1.4 billion in cuts spread over most government programs.

"Science, space, technology and education" are "the future of this country," said Representative Robert A. Roe, Democrat of New Jersey and chairman of the House Science, Space and Technology Committee.



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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Try Two Tracks Again

The Bush administration continues to display a warmness toward arms control that feeds anti-NATO sentiment in Europe and blocks broader opportunities to improve East-West relations. The latest example is Monday's peremptory rejection of Bonn's proposal to start talks with Moscow on short-range nuclear forces.

The administration rightly fears that ill-conceived talks could weaken support for NATO's nuclear deterrent in Europe. But there is a better way to preserve the deterrent than to rebuff the West German plea. The two-track approach that produced the treaty eliminating medium-range missiles represents the proven formula: Develop new weapons where cost-effective (in this case, the new Lance missile with a 300-mile range), and negotiate, too.

A sensible negotiating strategy would be to agree to talks on short-range nuclear weapons as East and West make progress in negotiations to reduce conventional forces in Europe. That is the only way for Washington to show its sensitivity toward West German concern about being Europe's nuclear battleground. That is also the best strategy to compete with Mikhail Gorbachev for the hearts and minds of Europeans, and to cooperate if he genuinely wants to reduce military tensions and costs.

Representative Les Aspin rightly criticizes the Bush administration for timidity on arms control. "We look like a bunch of bean counters," says the chairman of the House Armed Services Committee. He has in mind the White House's inordinate delay in resuming strategic arms talks as well as negotiations on the military balance in Europe. Partly as a consequence of this timidity, political opinion in West Germany is turn-

ing increasingly anti-nuclear. Chancellor Helmut Kohl tried to slow that turn last month by asking NATO to delay the decision to deploy the new Lance missile until after West German elections in 1990. After hesitating him about the matter when he had little political choice, NATO agreed to the postponement.

Even so, the pressure has grown in the Federal Republic as Mr. Gorbachev has pressed his proposal for talks on short-range nuclear forces. Somewhat precipitately, Mr. Kohl dispatched two envoys to Washington this week to plead the case for negotiations. Equally precipitately, Defense Secretary Dick Cheney rejected it, calling talks a "dangerous trap."

Mr. Cheney and his colleagues fear that Mr. Kohl is caving in to neutralist pressures and want to stiffen his spine. Fine. But then they have to give him the means to resist. The White House took the right first step by agreeing to continue unilateral development of the new Lance but to delay a deployment decision until 1990. Now it makes sense to take the next step — to fashion an arms control response to Mr. Gorbachev that will be perceived by Europe to be reasonable.

Europeans understand the need to maintain NATO's nuclear deterrent in the face of Soviet conventional strength. What they find steadily harder to accept is the West's unwillingness to talk to Moscow about all dimensions of the military balance.

NATO need not conclude a treaty further reducing nuclear weapons in Europe until the new talks on conventional arms produce tangible results. But the Bush administration's reluctance even to explore Mr. Gorbachev's "new thinking" will only convince Europeans that Moscow offers them more hope than Washington.

—THE NEW YORK TIMES

What Vision of Europe?

The scuffle over replacing the aging Lance nuclear missile launches in West Germany goes to the core question of how to manage a transition from the Cold War to whatever new stage of international relations awaits. The Germans, seeing the dismantlement of other Europe-based missiles, the onset of talks to reduce conventional forces and the start of unilateral Soviet withdrawals, are losing heart to modernize Lance, a short-range weapon that, if used, would land only on German soil. The Americans fear that a retreat on Lance — and the German notion of accepting a Soviet bid to negotiate down short-range missiles would be a retreat — will pull out a key nuclear rung in the ladder of flexible response, weaken deterrence and quicken already rising calls to bring American troops stationed in Europe home.

Well, a lot of people ask, what is wrong with that? For 40 years this troop presence, assuring American commitment, has been the foundation of Europe's security. But if the Soviet threat is dissolving, why not declare victory and go with the flow? How can the United States appear to be more anxious about the military defense of Germany than the Germans? Why should Washington, in the name of dedication to a NATO ideal of solidarity whose tug on

Germany is visibly fading, allow itself to be depicted as a nuclear heavy?

That sort of reactive response is unworthy and misguided. The American responsibility is to continue to act as the leader of the Western alliance, alert to current change but alert to future risk, too. That means thinking hard about what new security arrangements might best replace the old arrangement now under strain. It means to be respectful of the special sensitivities of Germans but not to be stampeded into prematurely abandoning the Atlantic defense structure. It means accepting the discipline (and distraction) of alliance consultation — and expecting other alliance members to do the same.

Most of all, leadership means putting forward a sensible overarching vision of the future of Europe and the role of Americans and Soviets in it. This would be something as dramatic and alluring as Mikhail Gorbachev's call for a "common European house," but designed more to Western specifications. This is where the American government still lags. Essentially it just scolded the German minister who dropped by Washington this week to ask for a reprieve on their Lance modernization pledge. They deserved it, but this is no substitute for developing a larger vision.

—THE WASHINGTON POST

Sensible Drug Policy

Edward Brecher, who recently ended his own life before cancer could take it from him, had a celebrated career as a writer on a variety of scientific topics. But in 1972 he left a monument as the author of the Consumer Union book "Licit and Illicit Drugs." That towering work of scholarship laid out most of what has been learned — and selectively forgotten — about heroin, caffeine, nicotine, alcohol, barbiturates, amphetamines, tranquilizers, cocaine, LSD and marijuana.

Mr. Brecher was more than a compiler of facts, and "Licit and Illicit Drugs" is more than a primer on addiction. He pieced the veil of moral righteousness and special pleading that still colors drug policy, offering sober prescriptions for limiting the damage that many people still don't want to hear.

"Drug-free" treatment of heroin addiction almost never works. The only practical hope is a substitute addiction that has less harsh medical consequences and carries less social stigma. Mr. Brecher recommended methadone. By failing to offer most addicts that option, society drives many to alcoholism.

Nicotine can be as tough to beat as heroin. Some people who do beat it suffer lasting side effects — anxiety, depression, even intellectual impairment. Many could be helped, Mr. Brecher argued, with a safe nicotine substitute or at least a cigarette that delivers nicotine without the carcinogenic smoke.

Good or bad, marijuana is here to stay. The billions spent to fight it are wasted dollars. Indeed, they may be worse than wasted. Properly regulated, marijuana might serve as a less dangerous substitute for alcohol.

At least as important as Mr. Brecher's ideas was the compassion for addicts that infused his search for answers. If more people shared his tolerance for human frailty as well as his respect for science and history, the drug monsters might yet be caged.

—THE NEW YORK TIMES

Other Comment

Japan: A Discredited Party

Prime Minister Noboru Takeshita announced Tuesday that he will resign to take responsibility for the people's increasing distrust in politics and because of his ties to the Recruit scandal. The Recruit scandal revealed how rotten some politicians and those close to the incumbent and former prime ministers are. This scandal will remain as an indelible stain in the postwar history of Japanese politics. It is important to prevent the LDP from taking advantage of [Mr. Takeshita's] resignation to put a lid on the Recruit scandal. The scandal must be completely revealed. It would not be strange if the party is forced to turn over the helm of national politics to the opposition parties.

It requires a great deal of perseverance to pursue political reform. We want to believe that the people have the wisdom and perseverance to develop democracy in Japan.

—Asahi Shinbun (Tokyo).

The need for bribery would be small if Japan had a more open economy. Because so much is regulated by the all-powerful civil service in cooperation with industry, those anxious to influence decisions use crude bribery to buy political support.

—The Times (London).

Jordan: Not a Going Concern

Jordan is an artificial nation. It has enjoyed relative growth euphoria, with the Palestinians' activities, trade with Israel and emigration of workers to the Gulf states. But the kingdom has in reality been maintained by the British, the Americans and the source of all manna which falls on the Middle East (including the PLO), Saudi Arabia. And that manna has dwindled. It is believed that only King Hussein's personal charms and ability can resolve the crisis. Even so, it will be only a temporary solution.

—La Vanguardia (Barcelona).

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OPINION

Bush's Second 100 Days Will Be Harder

By William G. Hyland

NEW YORK — The first 100 days of the Bush administration, ending on Saturday, will not have produced landmarks in foreign policy, but that is hardly cause for concern. The next 100 days will be much more important. By then we will be able to judge the policy direction of the core issue of Soviet-American relations and evaluate the state of relations among the allies — after the NATO and economic summit meetings scheduled for this spring and summer.

President George Bush obviously decided to proceed at a deliberate pace. This was probably a wise move, even though it evokes the ghost of indecisiveness. His administration's main theme is not ideology but pragmatism: prudent approaches carried out by skilled practitioners, without polemics or militancy — and, critics would add, without vision.

It is the nature of the problems, however, not the style, that has dictated this approach. The main problems are "structural," as the political scientists are fond of reminding us.

They relate to the emergence of a new balance of power in the post-Cold War era, a period in which America's role will necessarily be different.

The administration is taking the middle road, deftly leaving almost all options open.

ent, diminished by the rise of the other powers and limited by its own constrained resources.

The administration will eventually have to redefine U.S. relations with the new Europe of 1992 and come to terms with the permanent challenges of Japanese economic prowess. And it will have to settle the residual issues of the Cold War.

It is fortunate, therefore, that the president enjoys the luxury of conducting a methodical review, without the sense of urgent crises that have confronted most of his predecessors.

The general direction of policy thus far is not surprising. The administration is taking the middle road, deftly leaving almost all options open.

It sidestepped a bruising debate with West Germany over modernizing the short-range Lance nuclear missiles stationed in the Federal Republic. It defused the anticipated fight over new ICBMs by keeping alive both versions — the rail-mounted MX and the small but more mobile Midgetman. Both are prudent compromises, giv-

ing the certainty that all of these missiles will be at issue in the various negotiations with the Soviets. And the administration has out but not killed Ronald Reagan's "star wars" defense program.

On the two issues where events have required the administration to show its hand, the Middle East and Nicaragua, the decision was to buy time.

It could not repudiate George Shultz's agreement to deal with the PLO, but it has not pushed in that direction. It leaned on Israel's prime minister, Yitzhak Shamir, to produce something — anything — that would show movement, which the United States could try to sell to the moderate Arabs. Not exactly a heroic strategy, but for now not a bad test of the new atmosphere.

This approach will fail, of course. The real test will come later, when the inherent realities of a virtually unresolvable conflict reassert themselves — perhaps dramatized by some great crisis. Then we will learn about the basic character of this new administration.

As for Nicaragua, Mr. Bush could have played tough. Pragmatists that they are, his foreign policy team recognized that the old policy had expired. The problem was how to extricate the United States from the mess without losing too much face or conceding too much to the Sandinistas.

That is what the Baker formula amounts to. Again, not too heroic, but prudent. It, too, will come to naught. The Sandinistas are not fools; they will not give up power unless forced.

Then the issue will be whether the United States can live with two radical Communist regimes in its hemisphere. In all likelihood, it will have to accept them, as long as they are not Soviet outposts. This aspect seems to have been addressed in private talks with Moscow and in the administration's public pressures on Mikhail Gorbachev to end his support of Nicaragua.

Which brings us to the main issue of dealing with the new Russian revolution. After 70 years, we are not psychologically or intellectually prepared to deal with the staggering proposition that the Leninist-Stalinist revolution has failed.

What will replace it? No one knows, not even Mr. Gorbachev. This transforms the Bush administration's task from devising clever tactics to thinking through a new grand strategy, a strategy in the proper sense of the word — bringing together all the strands of policy.

The debate over whether Mr. Gorbachev will

survive and whether his intentions are genuine is no longer productive. It is like wondering what the guillotining of Louis XVI meant for the future of the monarchy.

After more than four years, U.S. interests ought to be clear. America should allow events to take their course, encouraging favorable directions of internal change and the more conciliatory aspects of Soviet foreign policy. This should not be too controversial. What is difficult is to translate this into an operational policy.

The difficulty is best illustrated by the revival of Eastern Europe. Is it at long last possible to reverse Yalta by assisting the evolution toward the West and democracy while allaying Mos-

If there is indeed a possibility of reuniting Europe, history will not forgive the statesman who sacrifices Western gains in a mindless gamble.

cow's fears? Past Soviet leaders have insisted on Communist Party domination in these countries and membership in the Warsaw Pact, with all that it implies for the stationing of Soviet forces.

Mr. Gorbachev has hinted that the first condition may no longer be strictly applied; he has come close to repudiating the Brezhnev doctrine, which claims a right of Soviet intervention to protect the gains of "socialism." But on Warsaw Pact membership and the stationing of Soviet forces he is not clear. Perhaps Moscow cannot decide how far it can go in compromising its security without compensation in the West, such as a complete American withdrawal. Eastern Europe has always performed two functions: as a buffer zone and also a forward area for Russian pressures westward. For Moscow to give up both would be astounding, but no longer inconceivable.

If there is indeed a possibility of reuniting Europe, history will not forgive the statesman who sacrifices all the Western gains of the past decades in a mindless gamble. That is why taking his time and thinking things through was not a bad start for George Bush in his first 100 days.

The writer is editor of Foreign Affairs. He contributed this comment to The New York Times.

Japan: A Fertile Time-Out That Mustn't Drag On

By Jay Collins

WASHINGTON — The Recruit scandal has brought the political system of the world's second largest economy to a screeching halt. The resignation of Prime Minister Noboru Takeshita is an attempt to get Japan moving again.

Like the long-running saga of Watergate, the Recruit scandal has prevented a governing party from advancing its domestic and foreign policy agenda. During the last six months Mr. Takeshita has been incapacitated by the scandal. Three members of his cabinet were forced to resign, he was caught making inaccurate statements about the contributions he received from Recruit, and his public approval rating plummeted to a record low of 3.9 percent. He was so handicapped that he could not even send his finance minister to Washington for the recent meetings on Treasury Secretary Nicholas Brady's Third World debt plan.

Mr. Takeshita's resignation is a vital first step toward moving beyond the scandal. The public prosecutor's office is likely to complete the investigation soon, arresting a handful of politicians on charges of bribery. By July, August, Japan will have passed its budget, held elections and handed the reins of leadership to a new prime minister.

Just as Watergate lingered long af-

ter the departure of Richard Nixon,

Mr. Takeshita's exit will not remove deeply rooted damage. The Japanese people will be holding its leaders accountable for an outdated political system badly in need of reform.

The Japanese have always had great cynicism with regard to politics and are still suffering from the shock of the arrest in 1976 of former Prime Minister Kakuei Tanaka. The perception of corruption once again at the most senior levels of society is causing the Japanese to ask how Japan can be a world leader when it has yet to develop a political system that commands respect at home and abroad.

Mr. Takeshita tried to reform the tax system, restructure agriculture, upgrade Japan's global leadership role and handle the scandal simultaneously. His successor is likely to emphasize one battle at a time, the first of which must be political reform.

Most likely to suffer will be reforms to bring about reorientation of Japan's economy away from exports. A weakened Liberal Democratic Party may lack the political strength to pursue the myriad structural adjustments, including market liberalization, that would ultimately improve the U.S.

trade deficit. As the party deals with difficult problems at home, it is unlikely to succumb to American pressure to confront its domestic economic ills with unpleasant reforms. Thus if the Bush administration and Congress are expecting speedy progress in bilateral trade negotiations with Japan, they will be greatly disappointed.

During Watergate and the Iran-contra affair, U.S. allies complained that while America remained obsessed with its problems the world suffered from the resulting leadership vacuum. As a new leading member of the global community, Japan must be reminded that time-outs are costly.

The United States, Japan and Europe should work toward a cooperative approach to financial issues, allied security, multilateral trade negotiations and the environment. As the Bush administration grapples with these global issues, it cannot afford to have Japan sitting on the sidelines. Mr. Takeshita's resignation is only the first step in a long process of bringing Japan back into the game.

The writer, a specialist in Japanese studies at the Center for Strategic and International Studies in Washington, contributed this comment to the Los Angeles Times.

Germany: Moving Toward the Top of the Agenda

By Jim Hoagland

PARIS — For Hans-Dietrich Genscher, the music of time is a fast-paced fox-trot. The West German foreign minister swept through Washington this week on a one-day journey that disrupted the stately, measured waltz the Bush administration has been dancing in the East-West ballroom.

The Washington waltzers had assumed, with good reason, that the Soviet Union could do little but mark time until the White House wrapped up its foreign policy reviews and was ready to boogie. But they may have underestimated the newly assertive West Germans, who have served notice with Mr. Genscher's trip that they will not be bound by a tempo they consider too slow.

Mr. Genscher openly sought something he knew he would not get: Washington's approval for the surprise decision by Bonn's governing coalition to endorse early negotiations with Moscow on battlefield nuclear weapons. His ultimate purpose for the Washington journey therefore remains something of a mystery.

The motive almost certainly lies in his two overriding preoccupations, which he has tied together into one strategically untidy package. They are West Germany's volatile domestic politics, and Mr. Genscher's quest for vindication of his view that the West has to move quickly to help Mikhail Gorbachev win a race against time.

Mr. Genscher has consistently run ahead of his NATO colleagues in praising Mr. Gorbachev's initiatives and urging the West to respond with

its own concessions. But this pace has kept him in step with the West German public, which sees in Mr. Gorbachev's survival a chance for peace and ultimately a new and closer relationship with East Germany.

Mr. Genscher's dovish views easily prevailed when the conservative coalition that links his Free Democrats with Chancellor Helmut Kohl's Christian Democratic Union met on April 20 to agree on a position paper on battlefield nuclear weapons.

That meeting occurred only a few hours after a key NATO policy-setting session in Brussels. The United States and Britain had given in to West German demands to put off a decision on deploying a new longer-range version of the Lance battlefield missile. Mr. Genscher pocketed that concession. Then, he raised the ante by getting Mr. Kohl to support a call in the position paper for short-range missile negotiations now, despite American and British insistence that Soviet conventional superiority has to be eliminated before such talks can begin.

The quick leading of the position paper to the West German press prevents the malleable Mr. Kohl from retreating from it when he gives a policy statement to the Bundestag today. Mr. Genscher's dash to Washington to explain the paper to a surprised and angered Bush administration also had the effect of tying Mr. Kohl's hands.

However, there is no indication that the chancellor, shocked by the coalition's poor showing in recent local elections and national opinion polls, has had any second thoughts. With prospects growing that his coalition would lose the 1990 national election to an alliance of the left-wing Social Democrats and Greens, Mr. Kohl is gambling his political survival on Mr. Genscher's tactical sense.

These tactics have rightly renewed suspicion of Mr. Genscher's intentions in Washington and Bonn. The questions about the West German foreign minister are not about his vision, which on Mr. Gorbachev has turned out to be rather prescient, nor about his loyalty, rather, they concern his skill and eagerness in cutting strategic corners for immediate political gain.

He is maneuvering the Western alliance onto a path that can lead to the Soviet Union gaining direct influence over NATO decisions on what weapons will be developed and deployed in Europe. NATO could never exercise that kind of influence over the closed system of the Warsaw Pact and would quickly find itself at a major strategic disadvantage.

The Lance missile is in itself of little military consequence in a world where each superpower has more than 12,000 nuclear warheads. But the process by which the Lance replacement is being delayed, then ensured in the promise of negotiations that could lead to its elimination, is important. It shows how other, more important weapons systems could be put to sleep through delay and inaction on NATO's part, while the Sovi-

man demands to put off a decision on deploying a new longer-range version of the Lance battlefield missile.

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The quick leading of the position paper to the West German press prevents the malleable Mr. Kohl from retreating from it when he gives a policy statement to the Bundestag today. Mr. Genscher's dash to Washington to explain the paper to a surprised and angered Bush administration also had the effect of tying Mr. Kohl's hands.

However, there is no indication that the chancellor, shocked by the coalition's poor showing in recent local elections and national opinion polls, has had any second thoughts. With prospects growing that his coalition would lose the 1990 national election to an alliance of the left-wing Social Democrats and Greens, Mr. Kohl is gambling his political survival on Mr. Genscher's tactical sense.

These tactics have rightly renewed suspicion of Mr. Genscher's intentions in Washington and Bonn. The questions about the West German foreign minister are not about his vision, which on Mr. Gorbachev has turned out to be rather prescient, nor about his loyalty, rather, they concern his skill and eagerness in cutting strategic corners for immediate political gain.

He is maneuvering the Western alliance onto a path that can lead to the Soviet Union gaining direct influence over NATO decisions on what weapons will be developed and deployed in Europe. NATO could never exercise that kind of influence over the closed system of the Warsaw Pact and would quickly find itself at a major strategic disadvantage.

The Lance missile is in itself of little military consequence in a world where each superpower has more than 12,000 nuclear warheads. But the process by which the Lance replacement is being delayed, then ensured in the promise of negotiations that could lead to its elimination, is important. It shows how other, more important weapons systems could be put to sleep through delay and inaction on NATO's part, while the Sovi-



Hans-Dietrich Genscher by DAULLE

NATO, Too, Can Play the Peace Game

THIS time the crisis is serious. It is pointless to argue that [the West Germans] are looking at things the wrong way round — that Lance, or its replacement, is the guarantee that conventional defense will not fail. A high proportion of Germans have ceased to think rationally about defense and have begun to make strategy with their emotions. [NATO needs] the ingredients of a public relations campaign that will outdo Mr. Gorbachev's and a strategy that will yield NATO enhanced security.

At the strategic level, Britain and America must now proceed to increase the number of sea- and air-based intermediate-range nuclear systems deployed in Western Europe, as a substitute for the short-range missiles.

At the public relations level, NATO should at once begin to demand from Mr. Gorbachev troop and weapon withdrawals from Eastern Europe far larger than he has yet agreed, including dismantling of military installations in the forward area of East Germany and Czechoslovakia.

It would be militarily and politically unpalatable to the Soviet leader to listen to such demands, and worse to fall in with them. But since he is playing the peace game to NATO's disadvantage, it is not for him to object if he is asked to "build down" his forces outside the Soviet Union to NATO's level. That is what real peace-making is about.

—John Keegan in The Daily Telegraph (London).

For Poland, A Time of Adventure

By Flora Lewis

WARSAW — Artur Stawowicz is an old Communist who has been through it all. He was pushed out of power in the upheaval of 1970, and for the last decade has devoted himself to art. But he is still a party member.

He says with satisfaction: "The system of Communist monopoly of power and the centralized economic system based on that power is finished. What ever happens, it can't be put back." He enjoys life now, although for many of his comrades "it is tragic," he says.

But Prime Minister Mieczyslaw Rakowski said: "It depends what you mean by the system. What led to the past political structures, a certain method of running the economy, yes, this is past. But I warn against burying the Communist formation. There's no simple road to democracy."

He denies, against all the evidence, that there is a split in the party. He professes to see more clearly the divisive undercurrents in the opposition Solidarity movement, which give him a certain confidence of maintaining the regime's control.

"This is a bloodless revolution," and the participants in the new agreement for elections "will not realize all the consequences," he said.

The fact of the agreement means that Solidarity "has accepted co-responsibility for the country."

For now, "there is confusion, an illness you have to go through," Mr. Rakowski said. He foresees a danger of "political decomposition." That is, "Some people may refuse to listen to anyone, Solidarity or us."

And he expects political parties to emerge, eventually two or three strong forces. He finds an analogy in the recent upheaval after the French Revolution: "But then it settled down in a republic."

"It's impossible to pass through this time without damage," Mr. Rakowski said. "Something is happening that you can't influence."

He spoke of China, of students demonstrating massively for democracy only a generation after the youth ravaged the country in the Cultural Revolution. "It means China and ourselves, with all our differences, we are both in a time of powerful tremors ... This is a time of historical adventure."

Bronislaw Geresmek, a historian who as a senior Solidarity adviser negotiated with Mr. Rakowski, shares part of his analysis. There has been a "shock" message in Poland, and no one knows how it is going to work.

"The party was losing its reason for existence," Mr. Geresmek says. "The key is its internal problem. The army and the police know what they want, but the party doesn't know what it wants. It would like to be social democratic without the essence of democracy, willingness to give up power."

The tug-of-war will continue, through next June's elections and into the unknown ahead. Mr. Geresmek, like practically everyone, expects the regime to cheat and try every possible trick. "But they accept without saying it that the Communist system is finished. It's clear for them, too."

Neither side pretends to foretell the longer future.

When Solidarity's leader, Lech Walesa, said he might run for president in six years, he was joking, Mr. Geresmek said. "Nobody can foresee the country in six years." It depends on many things: the economy, developments in the Soviet Union, the skill and temperament of individuals and the vagaries of chance.

The Communists are struggling to keep on top, but not only to keep power. They are also fighting for their self-respect, their past, the claim to a clear conscience reflected in Mr. Rakowski's argument: Their movement is "historically right. It carried out a revolution. It is only normal that evolution follows."

As Teresa Toranska writes in her extraordinary book "Them, Stalin's Polish Puppets," quoting a former leader: A Communist "always believes in the infallibility and the fallibility of the party." He accepts fallibility because every time there is a change, the past is seen as full of "mistakes," but the party remains inflexible.

She was quoting Stefan Stawowicz, who was jailed as a Communist under the prewar regime — jailed and sent to the gulag in Stalin's Soviet Union — and who returned and helped impose communism on Poland until he was caught in one of the leadership fights.

Now he supports Solidarity, and his wife wears the union's badge. "I'm glad I lived long enough to see what's happening," Mr. Stawowicz told me with a broad smile. "I thought there was no way out. Now you can see a solution. But it will be hard. This is not the last crisis in Poland."

OPINION

The Wild Asteroid Missed But Untidiness Persists

By George F. Will

WASHINGTON — Your response to science news depends on your sensibility. I, for one, am delighted by the discovery of 1989-FC, a cosmic jay-walker. That asteroid may or may not smash into us to smother us. However, it certainly teaches an always timely, because chastening, lesson about the irreducible disorderliness of everything.

1989-FC (why do we give better names to Bucs — Electra, Rivera — than to really important things?) was recently discovered from a Mount Palomar Observatory photograph after the asteroid made one of its annual passes near Earth. It is big, perhaps more than half a mile (800 meters) in diameter, and fast —

(New York City) Every cloud has its ...) Striking land, it would dig a crater a mile deep and five to ten miles across. There goes the neighborhood.

The Lisbon earthquake of 1755 was enough to cause people to question the idea of progress and to doubt a divinely ordained orderliness of the universe. That earthquake was an intellectually improving event. Imagine what a collision with a big asteroid could do for the moral and intellectual climate.

In 1610, Galileo discovered moons around Jupiter. The discovery convulsed Europe's religious and, hence, political passions. It proved something deflating about the nature of our solar system: Earth is not the center of the universe.

Ever since we were evicted from where we think we belong, science has delivered a series of affronts to our sense of dignity and autonomy. Darwin, by saying mankind is continuous with the slime from which mankind has only recently crept, imbedded mankind in the mud of the planet that has itself been revealed to be peripheral. Then Freud said there are within us uncharted depths with their own turbulences.

Early astronomy may have displaced our planet from the place of honor in the cosmos, but at least Newton saw the universe was intelligible, even glorious. He was the great orderer. His clockwork theory of the universe gave rise, through the seepage of science into the wider culture, to an arid deism in theology: God was envisioned as the winder of the clock-like mechanism of the cosmos. There even was clockwork political theory, the clearest expression of which is the U.S. Constitution with its tidy (on paper) system of checks and balances — politics as physics.

Neither Newton's universe nor the U.S. Constitution works as clock-like as we had hoped. And now we have 1989-FC to worry about.

Before Darwin, many people believed that no living thing could become extinct because extinction would suggest that there had been imperfection in God's original plan. What will people think if one of 1989-FC's big brothers comes crashing along and makes everything extinct all at once?

If 1989-FC itself hits Earth, causing localized catastrophe, one result will probably be the resurrection of the catastrophe will be construed as evidence that a caring God exists and is not amused.

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By SKAUGE, C.W. Syndicate

Personally, He Prefers the Onions

By Peter FitzSimons

DONZENAC, France — It is almost midnight. Under the ramparts of the old village, the cold light of a wan, moon reveals two ethereal figures waiting back and forth through the undergrowth. To the fevered fancy of a passer-by, they might seem the ghosts of long-

MEANWHILE

dead soldiers revisiting the spot where they fell in a battle of the Middle Ages. Suddenly though, the nocturnal calm is shattered by two all-too-earthly cries, the first of agony the second of joy, in quick succession.

In fact, ah-hem, I am one of these figures. My cry of pain comes because my knee once again feels as if it has been hit by a flaming arrow.

Michel shouted because he had finally found what he was looking for, an oddly speckled type of ivy.

Back at my house, Michel boils the

leaves up over the fire while I bite the bullet reflecting that a nice levelheaded Sydney boy should never have got involved in this black magic mumbo jumbo. But Michel is insistent.

Nothing, he swears, will help my knee heal more quickly. With luck, I might be ready to play in next Sunday's game. He's the coach, so although I suspect him to be a bit touched, I go along.

Presently his ivy stew is ready. After carefully soaking small strips of cotton in it, he puts them on my knee, wraps them tightly in a bandage and then a towel, and sends me to bed with the strict admonition not to move till morning. The process is repeated the next three nights, and I do in fact play rugby on the Sunday.

So ran my initial contact with Donzenac's alternative medicine. We Donzenacs love and swear by our folk remedies. We are, after all, people who

live squarely upon the ashes of our ancestors. Modernity has never had any great truck with us.

Here are a few of our time-honored remedies. See a doctor if pain persists. Bleeding nose. If bleeding is from the left nostril, lift your right arm, and vice versa. Alternatively, hold a big brass key (the colder the better) against the back of your neck until the bleeding stops.

Warts. Take half of an onion and rub it vigorously on the wart. Then bury the onion in a spot where no one will accidentally dig it up, and leave it to rot. By the time the onion has turned completely black, the wart will have disappeared. (An alternative method, though less favored, is to hold the wart under the cascade of a urinating cow. Personally, I go for the onions.)

Sore throat. The most popular method is to drink a lukewarm mixture of honey and milk. Out in the real world, it is also current to fill a thick woolen sock with warm (but not burning) ashes and drape it around the throat.

Persistent coughing. The juice of an onion mixed with sugar and taken in small quantities is said to do the trick.

Worms. Make a necklace of garlic cloves and wear it night and day.

Bee stings. Rub vinegar into them.

Rheumatism. My friend Denise swears by red clay. She smears it on her wrist and wraps it all up in a bandage.

General lethargy. Drink a mixture of egg yolk and port for several days in conjunction with your usual diet.

Constipation. The stalks of the raspberry fruit, all boiled up with water and drunk as if it were tea, is supposed to work wonders.

Sunburn. Take some natural yoghurt and spread it over the most badly affected area. Leave it for a couple of hours, then wipe it off.

Anemia. Put some nails in a glass of water. Wait till they have rusted, then drink the water.

Baldness. Many Donzenacs maintain that chicken droppings applied to a bald pate for a couple of days make new hair grow. But I've never met anybody who admits having tried it.

The pain of burns. While the preceding is gospel truth, the following is GOSPEL TRUTH. Standard procedure here is to go and see one of Donzenac's gifted tribal elders to enlever le feu, take away the fire. Merely by blowing on the afflicted area, these elders are reputed to be able to take away the pain — although they make no claim to cure the burn.

My friend Jean-Jacques is one of the "gifted ones." I have not yet tested his abilities by intentionally burning myself, but there is no shortage of people who swear by his powers.

And so it goes. It all feeds my fancy that the roots of life here reach far deeper than the loam of the last decades to touch the bedrock of ages past.

Mr. FitzSimons is an Australian writer who lives in the Drive region of southwestern France. He contributed this treatise to the International Herald Tribune.

LETTERS TO THE EDITOR

The Jerusalem Obstacle

Most Israelis still cannot imagine that any settlement acceptable both to them and to the Palestinians could ever be reached. In large part, this is because of Jerusalem.

No Israeli could advocate that the city be divided again, yet the Palestinians could never accept a final settlement that gave them no share of Jerusalem. Indeed, the Palestine National Council formally confirmed this in November by declaring Jerusalem the capital of the State of Palestine.

The problem of Jerusalem is not unsolvable. Jerusalem could form an undivided part of both states, be the capital of both states and be administered by an autonomous, elected municipal council.

To the extent that either state wished to control persons or goods passing into it from the other state, this could be done at the points of exit.

If the PLO were to propose the possibility of joint sovereignty over an undivided Jerusalem, the great immovable boulder at the end of the road to peace might just roll away, and even hitherto intransigent Israeli politicians might be willing to take the risks of starting to walk down that road.

JOHN V. WHITEBECK, Paris.

Exxon Valdez Foreseen

The oil spill disaster in Alaska's Prince William Sound is yet another example of the high priority given to economic profit instead of investment of a sufficient portion of profits in secure and workable environmental safeguards.

Less than 10 years ago, a strong warning of such a disaster was given to the oil companies and Coast Guard when a fully loaded supertanker lost its only engine and drifted for 16 hours in stormy seas of

the sound. The response was as dismal as today's. No tug or Coast Guard ship were capable of towing a fully loaded tanker in rough seas. The tanker was only 45 minutes from drifting onto an island when it managed to regain power.

Prince William Sound residents like myself, dependent on fishery resources, have always been assured that sufficient safeguards exist to prevent a disaster of this magnitude. Why should we now have any faith in Exxon's promise "to pick up, one way or another, all the oil."

NANCY BIRD, Cordova, Alaska.

Trumpet Memories

In response to a couple of obituaries during the past year: Once upon a time in New York City we could listen to Chet Baker's trumpet on the Upper West Side, then catch Roy Eldridge's in the West Fifties, not far from Carnegie Hall. It was all a part of a whole — them, us, Manhattan. Some of it is gone but much remains, in memory and recordings. And that, if not happily ever after, is at least poetic.

LEE A. ARCHER 3d, Paris.

Recalling Other Maestros

In response to "At the Podium: Music, Maestros, Please" (Features, April 20): I was happy to read that more and more women are directing symphony orchestras, but Heidi Waleston's article neglected to mention two very talented women conductors of the past.

No one who saw Sarah Caldwell directing her opera group could help but be impressed by her power and drive. And her musicians responded in kind. During a nationwide tour with Sarah Caldwell's

The Court as Umpire

So the San Diego Yacht Club plans an appeal (Sports, April 4). The club said it believes that yachts races should be decided on the water, not in court.

Its recent series against Mercury Bay Boating Club of New Zealand was, in fact, decided on San Diego's water. San Diego won the series but then was disqualified by the umpire (in this case, the New York judge) for using an improper boat, a catamaran. After the disqualification, the other yacht in the race won, and it is tendentious to say that New Zealand has never won an America's Cup race.

Dennis Conner, the San Diego skipper, said on a recent trip to Australia that while disappointed at the court ruling he accepted "the umpire's decision." Good on you, Dennis.

Can we now expect the San Diego Yacht Club to enter a motorbike in the Tour de France?

BRIAN PRINGLE, Nedlands, Western Australia.

GENERAL NEWS

U.S. Books, But Not Publishers, to Be at Iran Fair

By Edwin McDowell

NEW YORK — Although American publishers are not attending the Iran Book Fair in Tehran next month, two major U.S. publishing companies are sending books to display there.

John Wiley & Sons, a major publisher of technical and scientific books, plans to send about a dozen books to be displayed with those of European publishers.

Leonard Harris, a spokesman for Wiley, said, however, that none of its personnel would attend.

The agreement to send books, he added, was made about 18 months ago, well before the Iranian leader, Ayatollah Ruhollah Khomeini, called for the killing of Salman

Rushdie, author of "The Satanic Verses," a novel the ayatollah called blasphemous to Islam. In addition, several scientific, technical and medical titles published by McGraw-Hill will be displayed at the fair through arrangements between McGraw-Hill's company in Britain and an Iranian distributor in Tehran, a company spokesman said.

Two subsidiaries of the Times Mirror Co., which are not exhibiting titles at the Iran Book Fair, will sell books through an agent in London who is likely to sell them at the fair, a Times Mirror spokesman said.

The subsidiaries are C.V. Mosby Co., which specializes in health sciences, and Richard D. Irwin Inc., which deals in college

textbooks. No one from any of the publishing houses will attend the fair, their company spokesmen said.

"I know of no American publisher who is going to exhibit at the Iran Book Fair," said Nicholas A. Veliotis, president of the Association of American Publishers. "Nor do I know any reason why anyone would want to."

Mr. Veliotis, a former U.S. ambassador to Egypt, was alluding to the threat against Mr. Rushdie.

Robert K. Massie, president of the Authors Guild, said he was "appalled at the lack of judgment and good sense on the part of any Western publisher who would deal with any organization in Iran as

long as the death threat on Salman Rushdie is in place."

Mr. Harris said officials of Wiley were concerned about attending the Tehran fair.

"Wiley has taken a strong position in defense of Salman Rushdie," he said. "But the feeling is that one doesn't fight censorship with censorship."

Similarly, Donald S. Rubin, a spokesman for McGraw-Hill, said his company took the position that "there should be no sanctions on knowledge."

The Tehran fair, held every other year, specializes in scientific, technical and medical books, which U.S. publishers say are in short supply in Iran.

It is to be held May 7 to 19 and is

run by the Iranian Ministry of Islamic Culture.

The most prominent nonparticipant will be Viking Penguin, Mr. Rushdie's publisher, whose invitation was withdrawn by the Iranians.

A spokesman for Viking Penguin in the United States said, "We are unaware of which firms are attending but doubt that anyone could fail to recognize the moral questions raised by such attendance."

Last week, the International Committee for the Defense of Salman Rushdie and His Publishers, which has headquarters in London, expressed dismay that some Western publishers planned to exhibit at Tehran. It singled out the Oxford University Press in Britain.

In Basque Country, It's War as Usual

By Alan Riding

MADRID — After a three-month truce that raised hopes for peace in the long-convoysed Basque region, the Spanish government and separatist extremists have both gone on the offensive following the collapse of the first negotiations between the two sides.

The failure of the peace initiative was a serious blow to the prestige of the government of Prime Minister Felipe Gonzalez, but it also marked a new stage in the growing political isolation of the Basque separatist organization known as ETA, which stands for Basque Homeland and Liberty in the Basque language.

The reason given by ETA for breaking off the talks in Algeria was that the government refused to change the wording of a communiqué issued in late March that, the organization charged, distorted the purpose of the negotiations.

But government officials said the return to terrorism reflected the dominant position of a hard-line faction within ETA that is apparently unwilling to accept anything short of full independence for the three northern provinces — Vizcaya, Guipuzcoa and Alava — that Basques call Euzkadi.

Since the guerrilla group suspended the cease-fire it had declared, it has killed a policeman and an army officer in the Basque city of Bilbao and sent numerous letter bombs, two of which exploded, causing injuries. Bombs and bomb threats have also disrupted many of Spain's railroad services over the last two weeks.

In response, at the urging of Spain, the Algerian government last week deported six ETA leaders to the Dominican Republic, where they were put under house arrest. Spain also expects Algeria to expel about 40 more members of the organization to countries far from Europe in the coming weeks.

The prospect of more terrorism has nonetheless cast a pall over this country, forcing Spaniards to remember an unresolved problem from the past just as rapid economic growth and the consolidation of democracy have created a mood of optimism about the future.

While more than 600 people have died since ETA began its separatist guerrilla warfare in 1968, its terrorism was at first quietly condoned by many Spaniards who saw it as a reaction to the suppression of all regional identity during the decades of the Franco dictatorship.

The prospect of more terrorism has cast a pall over Spain.

But after Franco's death in 1975 paved the way for both democracy and increased autonomy for Spain's regions, sympathy for ETA evaporated throughout the country, including in the Basque region, where support for other nonviolent nationalist parties began to grow.

A dramatic expression of the region's sentiments came on March 18 this year, when about 200,000 people marched in Bilbao calling for "peace now, peace forever" and urging ETA to extend its truce. The demonstration was backed by all regional parties except Herri Batasuna, ETA's political wing.

At the same time, at the urging of Mr. Gonzalez, France has begun clamping down on ETA leaders who have traditionally used its territory as a haven for planning terrorist attacks and acquiring weapons. As a result, the Spanish police have at last been able to score important successes against the guerrillas, about 500 of whom are now in jail.

According to government officials, ETA's decision to seek negotiations with the government early this year was evidence of its grow-

ing difficulties. And while conservative groups opposed the idea of talks, the officials said the government had no choice but to test the organization's good will.

The officials said that during the Algeria talks the government was willing to discuss ways of enabling ETA to abandon terrorism and take part in democratic politics. They said Madrid was also ready to discuss granting amnesty to ETA members who had not participated in violent crimes.

But, they added, the government made it clear from the start that it would not negotiate the political status of the Basque region. And in this, it had the full support of other Basque parties, which last week blamed ETA's "intolerable cynicism" and its "totalitarian nature" for the collapse of the talks.

In justifying its withdrawal from the talks, ETA said that the two sides had agreed privately that they were seeking "a negotiated political solution" but that a later government statement referred only to "an agreed and final solution," omitting any mention of a political settlement.

The Algerian government, which has traditionally given refuge to ETA terrorists, last week announced the end of its mediation effort, saying neither side had shown "the least will to make the smallest concession with a view to a political solution."

While annoyed that the Algerian statement seemed to equate the two sides to the conflict, Spanish officials said that Algeria's expulsion of the six ETA leaders last week and its willingness to deport still more in the coming weeks indicated that the separatists could no longer count on its support.

With no prospect for renewed negotiations any time soon, Spanish officials said they expected to face growing public pressure to use tough police methods to deal with ETA.

"The government paid a high political price for these negotiations," a senior official said. "It can't afford to be too tolerant."

New Leaders Elected in Montenegro

Reuters

TITOGRAD, Yugoslavia — The Communist Party in Montenegro elected a new leadership Wednesday at a congress marked by demands for political and economic change.

The new 65-member Central Committee will formulate policy for the republic, which was engulfed in turmoil in January when a workers' revolt forced the region's government and the party leadership to step down.

Party informants said the new members were much younger than the previous members of the Central Committee and that many were committed to market-based economic policies and a freer circulation of political ideas.

The Montenegro meeting was the first of several regional sessions to take place before the national congress in December.

Montenegro's former leaders resigned when up to 120,000 workers and students gathered in Titograd, the capital, to protest sharply declining living standards.

Montenegro is the poorest of Yugoslavia's six republics. About 25 percent of Montenegro's work force is unemployed, and the average monthly wage is the equivalent of about \$70.

In another development, Yugoslavia's largest republic, Serbia, has proposed double pay for workers who are willing to take jobs in its turbulent southern region of Kosovo, the Belgrade newspaper Vreme Novosti said Wednesday.

EUROPEAN TOPICS

French Theme Park With Gallic Heroes

The name of valiant little Asterix, the Gallic comic-strip hero, has been chosen for France's latest amusement park. Asterix Park, in the southwestern part of Paris, will open Sunday.

The 160-hectare (395-acre) park features the little peasant village that in the comic book stories causes many a headache to the Roman conquerors who occupy most of Europe. Characters on display include Obelix, Asterix's overweight and faithful friend, feasting on a roast boar, and Panoramix, the Druid, stirring the magic potion that gives the Gauls the strength to defeat entire Roman legions.

Since the Asterix comic books first appeared 30 years ago, 200 million books have been sold in 40 languages. The park is the brainchild of Albert Uderzo, the cartoonist who created Asterix with the late scriptwriter René Goscinny.

Asterix Park will soon have a powerful rival, Euro Disneyland, opening in 1992 east of Paris. But organizers say they hope that within three years they can make Asterix Park a lasting success. Mirapolis, the first French-inspired theme park, has attracted few visitors since its opening in 1979.

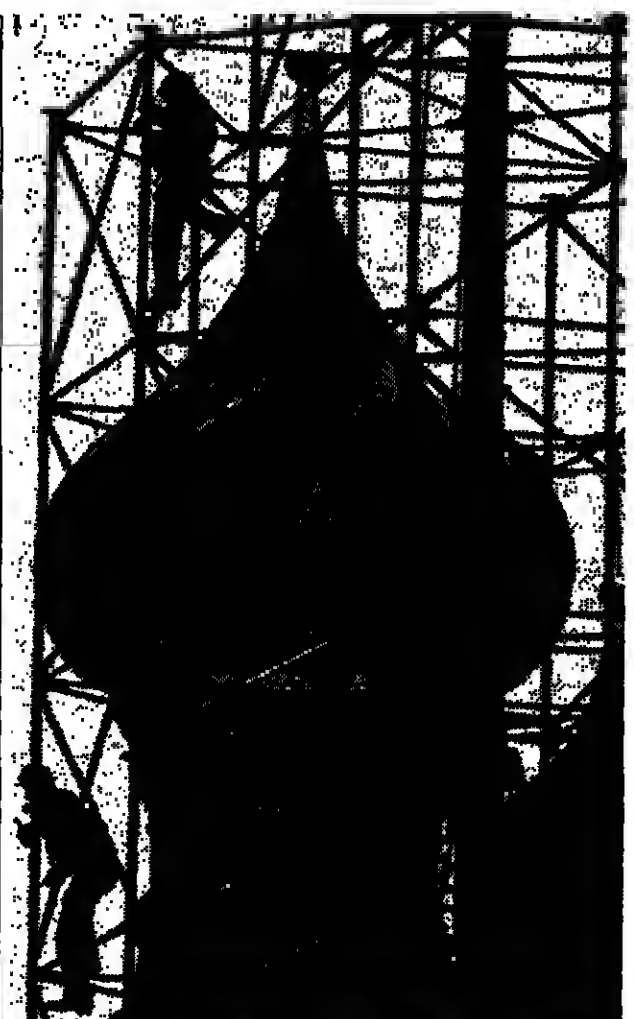
Towns Near Vesuvius To Get Escape Plan

If Mount Vesuvius, the dormant volcano near Naples, were to erupt again, as it last did in 1944, the people living in its shadow would find few escape routes. The Italian Ministry for Civil Protection has ordered a survey of the towns within about 10 kilometers (6 miles) of the crater as part of plans for an emergency evacuation.

Eighteen towns form a "belt of cement" around Vesuvius, with only a few narrow exit roads. They include Pompeii and Herculaneum, which were buried during the eruption of A.D. 79. The exodus from overcrowded Naples has swollen the towns' population to more than 750,000 people. Over the last 10 years, construction there has been increasingly marked by chaotic and often illegal housing.

During the next 20 months, experts will check the sturdiness of public buildings, such as administrative offices, schools, railroad stations and hospitals, as well as the efficiency of the road network.

Mount Vesuvius continues to give signs of life. Last month it rumbled enough to produce sci-



GRILLED ONION — Workers silhouetted against the dome of St. Basil's Cathedral on Moscow's Red Square as they prepared platforms to display flags at the May Day parade.

Around Europe

When Margaret Thatcher marks her first 10 years in office on May 4, there will be no fireworks in the Midlands town of Grantham, the British prime minister's birthplace. The Sunday Times reports. Instead, several officials of the town government, which is dominated by the opposition Labor Party, will travel to Nashville, Tennessee, to promote a country music festival that they hope will bring tourists to the Lincolnshire town. Only a small group of local people will gather to feast on Supreme Chicken Margaret, a poultry stuffed with hazelnuts and apple. The dinner will be in The Premier restaurant, formerly the grocery store where Mrs. Thatcher was born.

Yugoslavia has eased army conscription rules to allow conscientious objection on religious grounds, according to the daily newspaper Politika Ekspres. Jo-

hovah's Witnesses, Seventh Day Adventists and members of other religious denominations that forbid bearing arms will be permitted to do their military service as unarmed auxiliaries. But they will have to serve two years, double the normal conscription period. Dozens of objectors have been imprisoned for refusing to carry weapons.

Opera can be fun, and the Norwegian National Opera wants to prove it to Norwegians who do not normally attend its performances. It plans to stage a live broadcast of its Sept. 23 performance of Rossini's "The Barber of Seville" on a giant television screen in central Oslo. The state opera hopes to convert Youngstagers, a central market place, into a drive-in for up to 300 cars. The idea was "inspired by American drive-in movies," said Torge Baskard, an opera spokesman, and would include arrangements "with local restaurants to serve food on trays that hang from car windows, we hope by waitresses on roller skates."

Sytske Looijen

For Poland A Time of Adventure

By Flora Lewis

WARSAW — An old Communist slogan, "The revolution is not exported," has been turned on its head. It is now the revolution that is being imported to Poland.

He says with a smile that the revolution is now being imported to Poland. He says with a smile that the revolution is now being imported to Poland.

But Prime Minister Jacek Kuron says that the revolution is now being imported to Poland. He says with a smile that the revolution is now being imported to Poland.

The fact of the revolution is now being imported to Poland. He says with a smile that the revolution is now being imported to Poland.

For now, there is no revolution in Poland. He says with a smile that the revolution is now being imported to Poland.

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Nancy Dowiger/The New York Times

[illegible]

NYSE Most Active				
Vol.	High	Low	Last	Chg.
IBM	180.00	179.00	179.00	+0.12
Apple	100.00	99.00	99.00	+0.12
Microsoft	100.00	99.00	99.00	+0.12
Oracle	100.00	99.00	99.00	+0.12
Novell	100.00	99.00	99.00	+0.12
Lotus	100.00	99.00	99.00	+0.12
Visa	100.00	99.00	99.00	+0.12
MasterCard	100.00	99.00	99.00	+0.12
Amex	100.00	99.00	99.00	+0.12
Discover	100.00	99.00	99.00	+0.12

Market Sales				
NYSE	Vol.	High	Low	Last
NYSE	1,000,000	100.00	99.00	99.00
NYSE	1,000,000	100.00	99.00	99.00
NYSE	1,000,000	100.00	99.00	99.00
NYSE	1,000,000	100.00	99.00	99.00
NYSE	1,000,000	100.00	99.00	99.00

NYSE Low				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NYSE Closing				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

AMEX Diary				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NASDAQ Index				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

AMEX Most Active				
Vol.	High	Low	Last	Chg.
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12

AMEX Stock Index				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

Dow Jones Bond Averages				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NYSE Diary				
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100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

Odd-Lot Trading in N.Y.				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

Dow Jones Averages				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

Standard & Poor's Index				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NASDAQ Diary				
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100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

AMEX Stock Index				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

AMEX Stock Index				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NYSE Rises After GNP Report

Compiled by Our Staff From Dispatches

NEW YORK — Stock prices closed slightly higher Wednesday on the New York Stock Exchange despite receiving little direction from a report on first-quarter economic growth.

The Dow Jones industrial average, which fell 15.77 points Tuesday, rose 2.20 to close at 2,389.11.

Broader-market indicators also climbed. The New York Stock Exchange index rose 0.15 to 171.75 and Standard & Poor's 500-stock index gained 0.18 to 306.98. The price of an average share gained 4 cents.

Advances edged declines by a 7-6 margin. Volume on the Big Board slowed to 146 million shares, compared with 165 million traded Tuesday.

Before the market opened, the government reported that first-quarter gross national product rose at a 5.5 percent annual rate, with 2.5 percentage points of that increase representing recovery from last year's drought.

While the GNP data showed the economy grew at a higher rate than the 5.1 percent rate economists had forecast, the rise after the drought adjustment was below the 3.5 percent adjusted growth rate for the fourth quarter.

Analysts said that the 5 percent rise in the fixed-weight price deflator, up from 4.2 percent in the fourth quarter, showed that prices remain under pressure.

However, that bad news was softened by another inflation measure, the implicit price deflator, which showed that inflation eased in the first quarter.

"It was a bit of a wash," said Larry Wachtel, market analyst with Prudential-Bache Securities Inc. "You need blockbuster numbers like the employment figures to move this market," he added.

Michael Metz, a market analyst at Oppenheimer & Co., said institutions that failed to participate in last week's rally helped set the stage for the upturn in prices on Wednesday.

There are a lot of undercommitted investors looking for an entry point to get into the market," he said.

However, the analysts said they expect little movement in stock prices for several sessions as the market continues to consolidate last week's big gains.

In trading Wednesday, Security Pacific was the most active NYSE issue, rising 1/4 to 41 1/2. Pan Am followed, climbing 1/4 to 48. Union Carbide was third, adding 1/4 to 31.

Xerox surged 2 1/2 to 67 1/2, on rumors that the company was a takeover target. Traders said the rumors centered on Hanson PLC of Britain as a possible suitor.

Mead Corp. shares also climbed amid renewed speculation it was a takeover target. Among the blue chips, USX rose 1/4 to 34 1/2. General Motors climbed 1/4 to 41 1/2, and General Electric added 1/4 to 48. Elsewhere, AT&T fell 1/4 to 34 1/2.

McGraw-Hill, a recent subject of takeover speculation, plunged 3/4 to 74 1/2. The company's chairman told shareholders at their annual meeting that the company has no merger plans.

Prices closed mixed in subdued trading on the American Stock Exchange.

The Amex index rose 0.34 to close at 343.41. (UPI, Reuters)

NYSE Most Active				
Vol.	High	Low	Last	Chg.
IBM	180.00	179.00	179.00	+0.12
Apple	100.00	99.00	99.00	+0.12
Microsoft	100.00	99.00	99.00	+0.12
Oracle	100.00	99.00	99.00	+0.12
Novell	100.00	99.00	99.00	+0.12
Lotus	100.00	99.00	99.00	+0.12
Visa	100.00	99.00	99.00	+0.12
MasterCard	100.00	99.00	99.00	+0.12
Amex	100.00	99.00	99.00	+0.12
Discover	100.00	99.00	99.00	+0.12

NYSE Low				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NYSE Closing				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

AMEX Diary				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

NASDAQ Index				
High	Low	Close	Chg.	Vol.
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100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

AMEX Most Active				
Vol.	High	Low	Last	Chg.
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12
100.00	99.00	99.00	99.00	+0.12

NYSE Diary				
High	Low	Close	Chg.	Vol.
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100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
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Odd-Lot Trading in N.Y.				
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100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

Dow Jones Averages				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

Standard & Poor's Index				
High	Low	Close	Chg.	Vol.
100.00	99.00	99.00	+0.12	1,000,000
100.00	99.00	99.00	+0.12	1,000,000

BUSINESS ROUNDUP

Goodman Rejects Bid From Ranks

Reuters
SYDNEY — Ranks Holdings PLC raised its stake in Goodman Fielder Wattle Ltd. to 9 percent on Wednesday, while Australian company rejected British concern's takeover bid "totally inadequate."

Analysts said the two actions completed the preliminary moves in the renewed takeover battle between the two food companies, which reversed their positions from a year, when Goodman had enough friendly shareholders to frustrate the bid or if Ranks would have to change its tactics or its offer.

Some observers have suggested at Ranks launched the bid as a way to wrest away the 29.99 percent stake that Goodman holds in, but the British company denied it on Wednesday.

Ranks had been aiming to bring a stake in Goodman to 14.9 percent since it announced its offer on Monday. Australia requires gov-

ernment approval for larger stakes raised by foreign companies. The British concern on Monday said it had acquired 102 million shares, or 10.1 percent, of Goodman at prices ranging up to 2.55 Australian dollars (\$2.02) a share. It paid up to that amount to add its stake on Tuesday and Wednesday.

Ranks has valued its bid at 3.1 billion Australian dollars, or 3.07 billion U.S. dollars. But that figure was based on the Ranks stock price of 385 pence before its offer of four of its shares for each 11 of Goodman's. With Ranks trading at 364 pence a share in London on Thursday, the bid was worth about 2.99 dollars per share, or about 2.9 billion U.S. dollars, using the Ranks exchange rate of 2.19 dollars to the pound. Ranks also offered a cash option of 2.71 dollars a share.

Pat Goodman, the Australian company's chairman, said price was not the only reason the Goodman board found the bid unacceptable. "The proposed offer is highly conditional, which creates enormous uncertainty from the perspec-

tive of Goodman Fielder Wattle shareholders," he said. The bid is conditional on government approval in Australia and New Zealand. The Australian monopolies panel said Wednesday it would review the bid.

The offer, he continued, would result in a loss of Australian control over vital elements of the local food industry, while the sterling denomination of the cash alternative leaves Goodman shareholders exposed to exchange rate risk.

Tim Howden, managing director of Ranks, said he was not surprised at the rejection. "I would be amazed if they hadn't said that," he said in Wellington. "We shall have to see, won't we, but we did have a queue of people wanting to sell their shares today and we got very easily and quickly to 14.9 percent."

Analysts said Ranks would have more difficulty raising its stake from that level. "The horse had bolted as far as the first 15 percent was concerned. But the battle has just begun," said John Rattray of Ord O'Connor Grieve in Wellington.

Court Ruling a Setback For Davis Bid on NWA

The Associated Press

ST. PAUL, Minnesota — A Delaware judge has dealt a blow to Marvin Davis's \$2.6 billion bid for the parent of Northwest Airlines, refusing to overturn a key portion of the company's anti-takeover defense.

Chancellor William P. Allen of Chancery Court in Wilmington rejected on Tuesday Mr. Davis's request for an injunction that would have barred NWA Inc. from issuing "poison-pill" stock rights to shareholders before NWA's annual meeting on May 15. A poison-pill defense raises the cost of a hostile takeover.

The rights plan includes a provision that bars any newly elected NWA board from dropping the poison-pill defense until 180 days after the board is in place.

Mr. Davis, a Denver oilman, had said the plan would put him at a disadvantage in his takeover bid because it would effectively block a new board from selling Northwest for 180 days.

Mr. Davis's attorney, Gilchrist Sparks, argued Monday that the prospect of a long delay would discourage shareholders from supporting Mr. Davis in a proxy battle at NWA's annual meeting. His attorneys did not argue against the poison pill, saying they would favor such a plan if Mr. Davis gained control of NWA, but they challenged the 180-day waiting period.

NWA's board on Monday unanimously rejected Mr. Davis's \$90-a-share bid, alleging that the offer is unfunded. But the board said it was willing to negotiate with Mr. Davis and other bidders.

EC Raids Cement Makers in Cartel Probe

Reuters

BRUSSELS — European Community inspectors have raided 10 cement companies in Belgium, West Germany, France and Italy following allegations the group has been operating an illegal cartel, a spokesman for the EC executive commission said Wednesday.

"We have received information on widespread cartel practices and agreements," the spokesman said. He said these included agreements on pricing, market sharing and production levels, all of which are illegal under an EC law banning company agreements that infringe on competition.

The list of suspected infringements was "quite impressive," the spokesman said. He said three Belgian, three French, three West German and one Italian company were searched on Tuesday and Wednesday for evidence relating to the suspected cartel.

If found guilty, the companies face fines of up to 10 percent of their annual sales.

One commission source said, "The cement industry has been cartelized for the last 20 years. It's a sector where nothing really moves."

A source at CBR SA, the cement subsidiary of Société Générale de Belgique and one of the companies searched, said CBR had nothing to hide. "We are not particularly worried," the source said.

Commission sources named the companies raided as Dyckerhoff AG, Heidelberg Zement AG and Schwenk of West Germany; Lafarge, Coppée SA, Société des Ciments Vicat and Société des Ciments Français SA of France, and Italcementi of Italy.

Italcementi is the community's biggest cement producer, and the 10 companies together account for just under half of EC output.

The sources said the allegations of cartel practices did not come from within the industry. "We don't have any proof yet," one commission source added. The cement probe is the second major cartel investigation launched by the commission this month.

On April 13, the commission carried out raids on several EC producers of chemical soda after receiving a complaint they were operating a pricing and quota agreement.

Last December, the community fined 23 major petrochemical producers a record total of 60 million European currency units (\$67 million) for operating price-fixing and market-sharing cartels for two kinds of plastic.



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IFT-01

Pickens Request for Seats On Koito Board Rejected

Reuters

TOKYO — Koito Manufacturing Co., the Japanese auto parts maker, rejected Wednesday a request by T. Boone Pickens, the U.S. investor, for seats on the company's board, saying that it doubted he was the real owner of a controlling stake in the company.

"There is growing speculation that your company is not truly taking on the investment risk," Koito said in a letter sent to Mr. Pickens on Wednesday. Koito later released a copy of the letter to the press.

Mr. Pickens may have entered into a variety of options, repurchase or collateral arrangements when he bought a 20.2 percent stake in Koito from the Tokyo-based investment company Azabu Motors Ltd., a spokesman for Koito said.

"We believe we have a right to an accurate rendering of the truth," the letter said.

In a letter to the president of Koito, Takao Matsumura, Mr. Pickens had asked the Koito board to nominate three executives from his private investment firm, Boone Co., as directors of the Japanese company.

Last week, Koito rejected a request by Mr. Pickens that the company accept management staff from Boone Co.

Koito, the largest Japanese maker of lighting equipment for cars, is one of the leading suppliers of Toyota Motor Corp., its second-largest shareholder after Mr. Pickens.

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Portugal Begins Dismantling State Sector

Reuters

LISBON — Portugal began dismantling its lumbering state sector on Wednesday with the partial sale of shares in the state-owned brewery, Unicer.

"There has never been a public share offer on such a scale in Portugal," said João Veiga Anjos, chairman of the Lisbon and Oporto stock exchanges.

About 3.6 million shares, or 49 percent, of Unicer, were allocated to investors in the first step of the center-right government's ambitious privatization plans. Bankers said the issue initially appeared oversubscribed.

The sale of shares in Unicer, the first of five companies to be partially privatized this year, was expected to bring about 9 billion escudos (\$60 million) into state coffers to help pay public debt and restructure unprofitable companies.

Trading of Unicer shares, which have a base price of 2,500 escudos each, was expected to start on Thursday.

Mr. Veiga Anjos said in a recent interview that the privatizations could transform Portugal's stock market from one of Europe's smallest into an important marketplace.

"The companies quoted on our market are generally very small, and the big firms are all in state hands," he said. "With a half a dozen flotations, we could double or triple in size."

The commercial bank Banco Totta & Aguires and the insurance companies Fidelidade SA and Alianca Seguradora SA, as well as another concern that has not yet been named, are also to be partially privatized this year. More sales are expected next year.

The government can auction off only 49 percent of state concerns because the constitution, a legacy of the 1974 leftist revolution, bans denationalization. Prime Minister Anibal Cavaco Silva has pledged to sell the remaining public stakes once the constitution is rerafted this year.

Nestlé Expects 11% Sales Rise

Reuters

ZURICH — Nestlé SA expects its revenue to exceed 45 billion Swiss francs (\$27.4 billion) in 1989, up about 11 percent from 40.69 billion in 1988, its chief executive said on Wednesday.

The executive, Helmut Mancher, said net profit should increase in line with sales. In 1988, net rose 11.5 percent, to 2.04 billion francs. Mr. Mancher said revenue rose 32 percent in the first quarter of 1989.

Nestlé also said it was setting up joint ventures with Baxter Healthcare Corp. of Deerfield, Illinois, to produce foods for patients who cannot eat normal items.

INVITATION FOR PREQUALIFICATION

DATE: 12th April 1989
COUNTRY: Republic of Zimbabwe
PREQUALIFICATION NO: RDS 20-22-23/87

AFRICAN DEVELOPMENT BANK

RURAL ROADS II PROJECTS

1.0 The Government of the Republic of Zimbabwe has applied for a loan from the African Development Bank (ADB) in various currencies towards the cost of the Rural Roads II Project and it is intended that part of the proceeds of this loan will be applied to eligible payments under the contract to which this prequalification notice applies.

2.0 The Government of the Republic of Zimbabwe now invites prequalification applications in accordance with the questionnaire mentioned below, from eligible contractors for construction of the following rural roads:

- SHURUGWI-MANDAMABWE 59KM
- WEDZA-ST ANNE 26KM
- ST ANNE-RUSAPE 46.3KM

The roads will be constructed to a 7m wide bituminous surface (double surface treatment) on 7m wide formation.

THE SHURUGWI-MANDAMABWE ROAD is scheduled to commence in the 1989/90 financial year starting in July 1989, and invitations for tenders are expected to be issued in August 1989, with a tender period of three months. The award of the contract is expected to be made by January 1990. The approximate earthworks quantities for this road are: 470,000m³ of fill and 500,000m³ of cut of which about 3% is rock; and 90% of natural pavement base materials will be cement stabilised.

THE WEDZA ST ANNE AND ST ANNE-RUSAPE ROADS though separate may be considered as one road consisting of two discrete sections and tenders shall be given an option to tender for one or both of them. The St Anne-Rusape road includes a 3.2km access road to TSANZAGURO. These two roads are scheduled to commence in the 1990/91 financial year and tenders for them are expected to be invited in February 1990, with a tender period of three months. The award of the Contract(s) is expected to be made before September 1990. The approximate earthworks quantities for each road are: (i) WEDZA-ST ANNE ROAD: 130,000m³ of fill, and 120,000m³ of cut of which about 5% is rock; and (ii) ST ANNE-RUSAPE: 300,000m³ of fill, and 300,000m³ of cut of which about 10% is rock. The natural pavement base materials will be cement stabilised in both cases.

3.0 Only qualified contractors from member countries of the ADB are eligible to apply for prequalification. All goods and services to be supplied under the proposed contract shall have their origin from member countries of ADB. Prequalification will be determined on the basis of financial and technical capability, and previous and current experience in construction projects of a similar nature. Joint Ventures or Consortia of two or more contractors are required to submit prequalification data as required in the prequalification questionnaire for each of the member contractors, together with an Affidavit signed by all parties of the proposed joint venture or consortium declaring their intent to form a partnership.

4.0 Interested eligible applicants may obtain the prequalification questionnaire from the Director of State Roads, Ministry of Transport, at the address given below. Applications not made in the format of this questionnaire shall be rejected. The tender documents will be issued only to contractors who respond to this notice and can satisfy the prequalification requirements of the Republic of Zimbabwe.

5.0 The complete prequalification questionnaires should reach the Harare Office of the Ministry of Transport, Roads Department, not later than 16.00 hours local time on the 19th June 1989 and should be addressed to:

THE DIRECTOR OF STATE ROADS
MINISTRY OF TRANSPORT
PO BOX 8109
CAUSEWAY
HARARE
ZIMBABWE

TEL: 702421/700991
TLX: 2141 ZW

MOBIL: U.S. Oil Company Reportedly Set to Sell Assets in South Africa

(Continued from first finance page)

based Investor Responsibility Research Center found that U.S. divestment was "contributing to a consolidation of economic power by South Africa's whites."

Among the South African companies that have benefited most from foreign investment is the giant Anglo American mining and industrial conglomerate, which acquired control over Barclays Bank operations in the country, a Ford Motor Co. unit and a subsidiary of Citibank Corp.

Ford continues to supply vehicles, components, service parts, management and technical assistance to the South Africans, and licenses the use of its trademark. Critics of divestment charge that the U.S. companies continue to benefit from sales in South Africa, while at the same time shedding

marginally profitable assets and reaping the public relations gain of being able to say it has distanced itself from the government's apartheid policies.

Another example is Coca-Cola Co., which sold its bottling plant and distribution network to a South African concern. It then announced that it was constructing a factory in neighboring Swaziland to manufacture the syrup with which the beverage is made. Coca-Cola is the largest-selling soft drink in South Africa.

The study by the Investor Responsibility Research Center said that three-fifths of the 114 U.S. concerns that left South Africa between Jan. 1, 1986, and mid-1988 sold their operations to South African companies or the former managers of the subsidiaries. More than half of the departing companies re-

tained non-equity licensing and distribution ties with their former operations.

"These agreements help to ensure that the divesting company will continue to earn income from South Africa and keep its name and products visible there without the costs of direct investment," the report said.

The U.S. companies that have pulled out of South Africa since 1983 would have contributed an additional \$45 million to education, welfare and housing projects for black workers, according to the American Chamber of Commerce of South Africa.

Mobil, however, has been considered a leader in corporate social responsibility programs in South Africa, investing millions of dollars in housing and education projects

for its black employees and pursuing an equal opportunity employment policy.

Recently it was embarrassed by disclosures that much of the \$750,000 that it and other U.S. corporations donated to establish a church-based black group called the Coalition on South Africa had been spent by U.S. consultants without a full accounting.

Some of the money was said to have been spent on building a large house in Soweto for Winnie Mandela, wife of Nelson Mandela, the imprisoned leader of the African National Congress. But because of widespread criticism by blacks, she has not moved into the house.

Gencor, operating under a revamped management structure, recently laid off 5,000 miners because of falling gold prices.

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ESCORTS & GUIDES

JAPAN: New Dawn Glows as Companies Map Road to Next Century

(Continued from Page 1)

abroad. More than simply responding to adverse circumstances, the corporations are re-making themselves, in many cases, in a quiet but unmistakable revolution.

Not all will succeed in this process. But the best companies will reconstitute themselves in coming years, emerging more durable, agile and competitive than ever.

And by exploiting the advantages that have accrued to them since September 1985, when the major industrial countries set out on a course to devalue the dollar, they will make a significant reduction of Japan's trade surplus almost impossible without structural economic changes of a scale no one is currently contemplating.

IN effect, the very policy intended to blunt Japanese competitiveness — the revaluation of the yen, known as *endaka* — has spurred the country's corporations to develop new strengths in domestic and foreign markets. The process began when companies learned to live with a higher yen abroad; now they have brought those lessons back to their home market.

New challenges facing Japanese corporations are likely to multiply as the process of transformation unfolds. As in Japan's currently troubled political world, the most pressing such issue is whether Japanese companies can assume, in ideological, psychological and managerial terms, the global dominance they are beginning to claim by virtue of their economic strength.

How such questions are answered, economists and corporate analysts say, will determine the extent to which Japanese corporations take the lead in changing — and often dictating — the ways the companies of other countries do business as well.

In part, this is a question of the enormous financial power Japanese companies now enjoy. It is also a matter of shop-floor innovation. As mass production shifts to less developed neighbors, Japanese companies are preparing more aggressively than anyone else for a new era of highly segmented "niche" markets, short product cycles and small volumes.

Scale economies, once a Japanese strength, will no longer be as valuable as flexibility — the ability to quickly change the product mix, the volume mix and the technology involved in both. Japan's leading companies intend to compete on this basis, and to do so while preserving the high-quality, low-cost formula on which their success has rested.

"Our challenge is to map a manufacturing method to take us into the next century," said Junichiro Nakano, a professor at Waseda University's System Science Institute. "Although we're just beginning to solve this question, most American and European companies haven't yet begun their search."

As in Japan's previous "miracle" phases, the current era of change among Japanese corporations began chiefly in response to new economic circumstances. In the high-growth decade that ended in the early 1970s, corporate expansion reflected Japan's passage from the postwar period of regeneration to the first phase of affluence.

FOLLOWING the flotation of the dollar in 1971 and the first oil crisis two years later, Japanese companies again restructured, subsequently making their first concerted thrusts into international markets. This effort was based on declining tariffs and transport prices, steady world growth and what were then relatively homogenized markets for consumer products.

Behind the current era of change lie two fundamental points of recognition among Japanese corporations: The open trading system of the 1970s is increasingly threatened; and, as competitive priorities change, so is the assumption that Japanese companies can any longer avoid developing their own technology.

Endaka has clearly catalyzed the process of change in the Japanese corporate world. But traumatic as this has been, few companies count September 1985, when the so-called Plaza accord began the realignment of major currencies, as the start of the Year 1.

At Sony Corp., for example, executives launched a complete review of global operations several years before endaka. Like many U.S. companies, they discovered, Sony was weak in the area of manufacturing technology, the machinery and processes by which products are developed and turned out.

Now a factory automation division is a free-standing unit within the Sony corporate structure, providing state-of-the-art equipment to other divisions as well as outsiders such as Polaroid Corp. This is one element in

a much broader leap that Sony is making from consumer products to industrial electronics and high-cost professional equipment.

"Obviously endaka quickened many of the projects we've recently undertaken," said Ken Iwaki, Sony's senior managing director and head of corporate planning. "But we anticipated much of what we had to do."

In many ways Sony is an exception among Japanese corporations. It has long been a leader in the globalization of its operations, and it is widely acknowledged as the most innovative company in Japan in terms of its management techniques.

But few major companies have failed to recognize the lessons of the early 1980s. And new investment in plant and machinery, intended to rationalize existing operations and to develop new ones, has been a major element of their response.

Capital spending among manufacturers, after stumbling in the years following the start of endaka, rose an estimated 30 percent in the year to March 31, to about \$45 billion. Total investment, at about 20 percent of gross national product, was the highest proportion of output in goods and services of any advanced country.

SIGNIFICANTLY, almost a third of that amount went into the research and development of new products and markets, according to DB Capital Markets. Even in industries normally driven by innovation,



Genichi Nagaoka, senior managing director at Mazda.

"Reacting to consumers and to changes in the economic environment are now key parts of our strategy. We launched a new model on Feb. 27. Over the next three years, we'll take 30 percent out of the cost of making it."

Genichi Nagaoka, senior managing director at Mazda.

such as machine tools and electronics, research spending is now growing by 20 percent to 30 percent a year.

The result has been a spreading revolution among Japanese corporations in terms of the products they make, how they make them and the speed with which a product can be advanced from its conceptual stage to the market.

Japanese automakers are midway in a stream of new-model introductions ranging from \$4,500 minivans aimed at the low end of the local market to \$35,000 luxury sedans intended for U.S. executives. The most advanced of these cars will bring Toyota Motor Corp., Nissan Motor Co. and Honda Motor Co. into direct competition with such high-end European products as BMW AG, Volvo AB and Daimler-Benz AG for the first time.

Among consumer-electronics companies, Sony has offered 10 new versions of its Walkman compact audio player in each of the past three years, compared with five or less over the previous three years. Similarly, Matsushita Electric Industrial Co., maker of Panasonic and National products, has doubled its line of tape recorders and allowed sales for each model to drop by up to 50 percent. Although auto manufacturing has tradi-

tionally been a slow, inflexible operation, carmakers have also pioneered change in the production process. Faced with the challenges of cost reduction and improved responsiveness, Honda is cutting by half the four years it previously required to develop a new model.

BY 1992, auto analysts say, Honda's lower cost structure will probably enable it to remain profitable at an exchange rate of 100 yen to the dollar. Across the industry, the goal over the next decade is to reduce the product cycle — currently up to six years among U.S. makers — in a single year.

"Reacting to consumers and to changes in the economic environment are now key parts of our strategy," said Genichi Nagaoka, senior managing director at Mazda Motor Corp. "We launched a new model on Feb. 27. Over the next three years, we'll take 30 percent out of the cost of making it."

Shifts of this magnitude in part reflect the extent to which Japanese companies are walking off the field in areas where they have been traditionally competitive.

When Toshiba Corp. makes public its annual report for the year that ended March 31, executives expect information systems, components and medical equipment — areas in which the consumer-products giant scarcely competed a few years ago — to account for 53 percent of worldwide sales. That would represent an increase of 7 percentage points in one year.

At the same time, the new manufacturing and marketing prowess of many Japanese companies is stalling this transition. Although Sony's revenue from new businesses grew 44 percent in the year that ended March 31, to 290 billion yen, its plan in cut consumer products from 65 percent of sales to half has been reversed.

"Our target was an equal split between consumer and industrial products by 1990," said Mr. Iwaki of Sony. "But consumers have amazed us. Now we have to rethink the original goal."

Since mid-1987, when the current boom in domestic growth first became evident, Japanese companies have progressively made the country "the world's most important new-product laboratory," according to Mr. Couris.

Foreign concerns can no longer afford to ignore Japanese consumers if they want to match Japanese companies anywhere else; at the same time, competing in Japan has become tougher than ever.

But it is overseas that the impact of Japan's corporate revolution will be felt most profoundly. Apart from the new surge in exports, Japanese companies are continuing to invest record amounts in new factories abroad: \$7.5 billion for the six months to Sept. 30, slightly less than the previous year's total.

THE phenomenon is not limited to the Japanese giants and household names. In the United States and Europe, carmakers are being followed by small-scale glass, tire, battery and component suppliers, effectively transplanting large parts of the Japanese "satellite" production system.

The main motivation in advanced countries, clearly, is to deflect protectionist responses to Japanese exports while maintaining market share. In the process, however, Japanese companies are gaining a measure of political clout few corporate planners anticipated only a few years ago.

In part, this reflects their ability to invest in such countries as Britain, as Nissan, Honda and Toyota have done, and to effectively revive what had been all-but-dead industries. It also indicates the degree to which growing links with foreign companies have complicated responses to the foreign-investment issue.

In Southeast Asia, Japanese investment is fast transforming the region into a de facto economic bloc despite the professed hesitations of many political leaders. And in doing so, Japanese companies are further reducing costs at home while remaining competitive in fields they would otherwise have had to abandon.

One example of the growing power of Japanese companies in the region is Mabuchi Motor Corp., the leading maker of small motors used in products ranging from audio equipment to automobiles. With factories in Hong Kong and Taiwan, 97 percent of Mabuchi's production is now overseas.

"Going elsewhere in Asia is like going to Hokkaido, except you need a passport," said the company's president, Takaichi Mabuchi. "Endaka? It's been a big boost for us."

TOMORROW: Paying for corporate change

GM and Toyota Widen Venture In California

New York Times Service

DETROIT — General Motors Corp. and Toyota Motor Corp. have agreed to expand their joint venture in Fremont, California, allowing the Japanese automaker to build 100,000 light trucks there starting in 1991.

The agreement, announced Tuesday, will give Toyota a bigger foothold in the U.S. market and enable it to cut costs at a time when the yen is strong.

Toyota has been seeking a way to avoid a 25 percent tariff on imported trucks. The U.S. Customs Service recently ruled that some imported vans — those intended primarily for cargo — were subject to the tariff.

A General Motors manager, who declined to be identified, said that Toyota would probably have built a new truck plant had the U.S. automaker blocked it from assembling trucks at Fremont.

Ronald Glantz, an automotive analyst for Montgomery Securities Inc., said, "I also expect that Toyota eventually will buy the plant from GM when the joint venture expires in six years, and this should make the plant more valuable."

GE Is to Win Contract For Tokyo-Area Plant

Agence France-Press

GREENVILLE, South Carolina — Tokyo Electric Power Co. has told General Electric Co. that it plans to award it a contract to build the world's largest combined-cycle power plant, GE said Wednesday.

The chairman of GE, John Welch, said the contract would be worth about \$750 million. The U.S.-built plant, scheduled for service in the Tokyo area in the 1990s, would use eight combined-cycle GE single shaft units, each using a gas turbine and a new steam turbine design.

GNP: Sharp Growth

(Continued from Page 1)

fourth even if there had been no growth after December.

Thus, a slowing during the first quarter, which is what many economists think occurred, will show up fully in second-quarter averages.

A number of Federal Reserve Board policymakers have said they believe economic growth must be slowed to around a 2.5 percent pace to keep inflation from rising further. However, Fed officials have also indicated that they are not eager to boost short-term interest rates again until they have more evidence on the impact of previous rate increases.

Corporate Profits

The Commerce Department also said that profits of U.S. corporations, after tax liabilities, rose a revised \$5.4 billion, or 3.2 percent, in the fourth quarter of 1988, to a seasonally adjusted annual rate of \$174.5 billion. Reuters reported from Washington.

The department said the increase, revised from last month's estimate of a 2.8 percent rise, followed a third-quarter increase of \$6.4 billion, or 3.9 percent.

For all of 1988, corporate profits rose \$21 billion, or 14.7 percent, to \$163.9 billion.

The department said profits before taxes rose to a \$340.9 billion annual rate in the fourth quarter from \$330.0 billion in the third.

CURRENCY MARKETS

GNP Advance Gives Dollar a Boost

Compiled by Our Staff From Dispatches

NEW YORK — The dollar ended higher Wednesday after the U.S. government reported an unexpectedly large increase in economic growth for the first quarter.

Dealers said that fears of intervention by the Federal Reserve put a cap on the currency's rise. Trading was technical in active short-covering.

The dollar rose to 1.8791 Deutsche marks from 1.8667 DM at the close Tuesday and to 132.075 yen from 131.465. It rose to 1.6570 Swiss francs from 1.6460 and to 6.3595 French francs from 6.3185.

The British pound closed at \$1.6905, down from \$1.6996. Traders said that sentiment on the dollar became stronger after the Commerce Department reported that gross national product expanded at a robust annual rate of 3.5 percent in the first quarter, compared with a 2.4 percent rate in the fourth quarter of 1988. Nearly half the gain was due to a rebound in farm production statistics after the 1988 drought, the department said.

Excluding the impact of the drought, growth was at a 3 percent annual rate in the first quarter, above expectations of a 2.5 percent rise.

Robert Ryan, senior trader for Irving Trust Co., said the market had interpreted the report as bullish for the dollar, nonetheless, because it meant interest rates probably would remain firm in the short term to combat inflation.

Mr. Ryan said technical factors and rising oil prices, particularly in wholesale gasoline, also helped push the dollar higher.

The dollar had also closed higher in London after the U.S. data were released.

"The market wanted to buy dollars regardless of the figures," said Tim Fox, an economist at Midland Montagu Ltd. in London.

The dollar closed in London at 1.8778 DM, up from 1.8648 DM on Tuesday, and at 132.25 yen, up from 131.35 yen.

The British pound weakened to \$1.6883 from \$1.7010. The U.S. unit finished at 1.6570 Swiss francs, up from 1.6435 francs, and at 6.3475 French francs, up from 6.3125 francs.

Dealers said that while the bullish dollar sentiment was firmly entrenched, the U.S. currency's upward momentum was likely to be

Closing	Wed.	Thu.
Deutsche mark	1.8778	1.8648
Pound sterling	1.6883	1.7010
Japanese yen	132.25	131.35
Swiss franc	1.6570	1.6435
French franc	6.3475	6.3125

Source: Reuters

limited by fears of central bank intervention. They also noted that the inflation data contained in the GNP report was not as strong as the figures on growth.

The government reported that the GNP implicit price deflator, a consistent guide to U.S. inflationary trends, posted a smaller-than-expected 3.9 percent increase in the first quarter.

"Dollar sentiment is strong, but I am puzzled about the reason," said Hiroshi Ikeda, senior manager at the Industrial Bank of Japan's foreign exchange section.

Mr. Ikeda said market participants were ignoring negative factors such as the lower inflation figures, potential interest rate rises in Japan and West Germany's plans to drop its 10 percent withholding tax on investment income.

"I have no explanation for the dollar's rise, but people want to buy dollars," said Peter Kane at Credit Suisse.

"If people liked the dollar when we had 2.4 percent growth in the fourth quarter, they have to love the dollar with this better-than-expected 3.5 percent growth in the first quarter," said Charles Spence, a dealer at First Interstate Bank.

The British pound rose initially on the narrowing of the trade deficit in March to \$1.2 billion from \$1.7 billion, but eased later.

(UPI, AP, Reuters)

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FRANC: Currency Holds Steady

(Continued from first finance page)

the release of each monthly inflation figure.

The latest showed an 0.3 percent rise in consumer prices in March and a differential of 0.7 percentage point, narrowing from 0.8 percentage point in February and down from 1.5 percentage points as recently as December.

Given that Mr. Bertogovoy's policy is to "stick the franc to the mark" in any EMS realignment, there is little justification for the yield premium in long-term franc assets, economists said.

"Traders believe the chances for a change in currency rates are rather weak," said Michel Deville, an economist at Banque Paribas.

"They're therefore looking for the highest yields possible."

One currency dealer added, "The mark is a strong currency that doesn't pay. For the time being, everybody is looking for currencies that pay."

Other factors should also help France hold rates steady, said Mr. Horne of Smith Barney. The worst public-unrest on wage policy probably passed last autumn, he said. French money supply, by contrast to Germany, is well under control. And industrial capacity use was not running hard against its practical limits as in Germany.

SIMMS INTERNATIONAL FUND

Société d'investissement à Capital Variable
2, Boulevard Royal, Luxembourg
R.C. Luxembourg B-25362

Shareholders are hereby convened to attend the ANNUAL GENERAL MEETING

of shareholders of our company, which will take place at the company's registered office, 2, Boulevard Royal, Luxembourg, on May 16, 1989 at 11:00 a.m. for the purpose of considering and voting upon the following agenda:

1. Submission of the reports of the Board of Directors and the Auditors;
2. Approval of the Statement of Net Assets at December 31, 1988 and the Statement of Operations for the year ended December 31, 1988;
3. Allocation of the net income from investments;
4. Discharge to the Directors and the Auditors;
5. Receipt of and action on nomination of the Directors;
6. Miscellaneous.

Resolutions on the agenda of the annual general meeting will require no quorum and will be taken at the majority of the votes expressed by the shareholders present or represented at the meeting. In order to attend the meeting of May 16, 1989, the owners of bearer shares will have to deposit their shares five clear days before the meeting at the registered office of the Company or with Banque Internationale à Luxembourg, Société Anonyme, 2, Boulevard Royal, L-2563 Luxembourg.

THE BOARD OF DIRECTORS

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These two banking establishments have together more than 500 branches covering the whole of the Portuguese territory, and make up with the insurance company Fidelidade the main financial group in Portugal.

The shareholders consider that all is in place to enable the B.F.P. to strengthen its presence on the French banking market and to intensify its development as a privileged system of contact with the Portuguese banking network.

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SPORTS

Canadiens Exile the Bruins; Lemieux Guns Down Flyers

The Associated Press
Patrick Roy made 22 saves in goal as Montreal avenged its 1988 playoff elimination by the Boston Bruins with a 3-2 victory at home Tuesday night that gave the Canadiens the Adams Division title.

STANLEY CUP PLAYOFFS

Each result in this five-game series was by one goal. Roy was the winning goalie in the four Montreal

victories and now is 30-0-4 at the Montreal Forum since losing to Boston in the 1988 Adams playoff clincher.

"It was a little revenge after last year," Roy admitted. "We were lucky the way the series went this way."

It went Montreal's way in part because the Canadiens were on a mission, according to defenseman Craig Ludwig.

"Revenge definitely was a help and we talked about it every night," he said. "We wanted to take back from them what they took from us last year."

In taking back the Adams crown, Montreal, which was 11-1-1 against Boston in the regular season and playoffs, advances to meet the Pat-

rick Division survivor. Pittsburgh leads Philadelphia in that series 3-2.

Stephane Richer got the winning goal at 4:14 of the third period when he took a rebound off the stick of goalie Andy Moog, spun around and put in a backhander. That made it 3-1 and was enough to withstand Bob Joyce's second goal of the game, at 7:31 on a 25-footer (7.5 meters).

Joyce had given Boston a 1-0 lead in the first period, completing a 2-on-1 break with Craig Janney by scoring on a 20-foot shot.

Chris Chelios tied it 1-1 into the second period when he came out from behind the net with the puck and, through a screen, beat Moog between the pads from short range.

Penguins 10, Flyers 7: In Pittsburgh, Mario Lemieux tied NHL playoff records with four first-period goals. Five overall and eight points. Tuesday night for Pittsburgh. The blowout gave the Penguins a 3-2 lead in the Patrick Division finals.

Lemieux, listed as questionable before the game with a whiplash-like neck injury, scored a natural hat trick in the first 6:55 of play to give the pumped-up Penguins, who

led 9-3 entering the final period, a 3-0 lead.

Lemieux made it 5-1 with his fourth goal at 17:09, tying the league record for playoff goals in a period set by the Flyers' Tim Kerr against the New York Rangers in 1985.

The five goals match the efforts of Maurice Richard of Montreal in 1944 and Darryl Sittler of Toronto and Reggie Leach of Philadelphia in 1976.

The eight points match the year-old record set by New Jersey's Patrick Sundstrom. Lemieux had eight points in a game twice during the regular season.

The NHL scoring champion assisted on all three of the Penguins' second-period goals, two on picture-book feeds to right wing Rob Brown.

His final goal came into an empty net with 37 seconds to play. Lemieux was limited to three goals in the first four games of the series and was shot out in Game 4 as the Flyers won 4-1.

Kerr scored twice and Derrick Smith and Eklund once each in the final period for the Flyers, who can tie the series in Game 6 on Thursday in Philadelphia.



After scoring his fifth goal — tying an NHL playoff record — Mario Lemieux won a pat on the head from teammate Bob Errey.

SIDELINES

Seton Hall Coach Talks to Kentucky

LEXINGTON, Kentucky (UPI) — Seton Hall Coach P.J. Carlesimo, who guided his team to the NCAA tournament final this year, is discussing the possibility of becoming the new head coach at Kentucky, but no offer has been made, Kentucky officials said Wednesday.

Carlesimo met with the committee screening candidates for two hours Tuesday during a day-long visit to Lexington. Kentucky is searching for a replacement for Eddie Sutton, who resigned under pressure following a year-long investigation of alleged NCAA rules violations.

Two Tyson Bouts Are in the Works

NEW YORK (NYT) — If Bill Cayton has no objections, look for Mike Tyson, the world heavyweight boxing champion, to fight Carl Williams in late July and Jose Ribalta in October. That's the plan that Don King, the promoter, and Home Box Office, the U.S. pay-TV channel, are anticipating.

If problems do arise, they are likely to be from Cayton's side. Last week, in advising Williams' promoter, Stan Hoffman, that King had the authority to make a Tyson-Williams match, Cayton, who remains Tyson's manager of record, warned he would be an obstacle if the details of any deal King struck for Tyson did not satisfy him.

Baughan Resigns as Cornell Coach

ITHACA, New York (AP) — Marie Baughan, who last season led Cornell to its first Ivy League football title since the Ed Marinaro years as running back, has stepped down as head coach amid press reports he was romantically involved with his top assistant's wife.

Citing "personal tensions" in Cornell's football program, Baughan, 50, resigned Tuesday from the post he has held since 1983. His resignation comes six months after the Big Red tied Penn for the Ivy League championship, Cornell's first title since sharing the honor with Dartmouth in 1971, when Marinaro was the Heisman Trophy runner-up.

A rift between Baughan and his assistant head coach, Peter Noyes, surfaced two weeks ago.

Marie Baughan

Valvano's Dual Role Is Under Fire

RALEIGH, North Carolina (AP) — Jim Valvano, the North Carolina State basketball coach, should not also be the school's athletic director because there is a conflict of interest when he creates policies for himself, a faculty committee has concluded.

Its recommendation was unanimously endorsed by the faculty senate after it was issued in a report by the committee, which was formed to examine N.C. State's handling of student grades after allegations of improper grade changing on the basketball team.

For the Record

Attendance at National Basketball Association games increased 22 percent this season and set a record for the sixth straight year. Boosted by the addition of two teams, in Charlotte and Miami, total attendance increased from 12,654,374 to 15,464,994.

Vic Babes, commissioner of the Sun Belt Conference and former coach at Duke, has announced that he will retire, effective in July 1990.

Former Oklahoma starting quarterback Charles Thompson pleaded guilty Wednesday to a federal charge of conspiracy to distribute cocaine. The judge said he would await a report from the U.S. Probation Office before imposing a sentence.

Threat Cited In Steroids Testimony

TORONTO — Peter Dajia, a short-putter who was suspended from competition after failing a drug test, said Wednesday that he was reinstated by the Canadian Track and Field Association last summer after threatening to expose steroid use by Ben Johnson.

Dajia and two other throwers tested positive for banned drugs at the Canadian track and field championships in 1986 and were suspended for 18 months.

Dajia, 25, told a federal drug inquiry that the suspension lasted almost two years and efforts by his lawyer for reinstatement did not work.

He said he then took matters into his own hands and spoke with Steve Findlay, an athlete's representative with the track association in Ottawa.

"I asked him why I hadn't been reinstated yet. I threatened to turn in the world's fastest human being. I was going to go to the press. I had nothing to lose."

Dajia, a soft-spoken Toronto native, said Findlay tried to calm him down and asked him not to "make any harsh decisions."

"You don't need to do this," he quoted Findlay as saying. "Think of your sport."

Dajia said the association began reinstatement proceedings several days later and he was allowed to compete at last year's national championships, where he finished second.

Before his dramatic testimony, Dajia admitted he used banned steroids for a number of years beginning in 1983, and he named a teammate as a supplier.

He said he started using the muscle-building drugs on the advice of his coach, Mike Mercer.

Dajia, a physical education student at the University of Texas, said he also obtained drugs from Johnson's physician, Dr. Jamie Asaphian, and a unidentified doctor in Fort Worth, Texas.

Earlier, Mark McKoy, Canada's top hurdler, denied that he abandoned the 1988 Olympic Games because he feared a positive drug test following the Johnson drug scandal.

McKoy said "racist comments" and backstabbing by Canadian athletes and officials caused him to leave Seoul early.

Auckland Dizzy Over Prospects for an America's Cup Boom

AUCKLAND, New Zealand — Hardly a month after Aucklanders rejoiced to the news that a New York judge had handed them the America's Cup, the city has awakened to the extent of the problems — and profits — the event promises.

Analysts talk excitedly about the cup earning Aucklanders between 500 million and 1 billion New Zealand dollars (between \$305 million and \$610 million) when the big-spending yachting set descends for the next challenge expected in early 1991.

But they shudder at the thought that the city has just 18 months to prepare for one of the world's highest sporting events.

Even the ever-optimistic New Zealand campaign chairman, Michael Fay, has no illusions.

"The logistics of the time-frame are awesome," he said.

But the dollar signs that shine so brightly wherever a cup defense is held are expected to soften the blow for a city in the depths of an economic recession.

New Zealand won the right to stage the next America's Cup defense when a New York judge stripped the San Diego Yacht Club of the trophy and gave it to a small club 100 kilometers (62 miles) from Auckland.

Judge Carmen Ciparick ruled that the Californians had broken rules dating from the last century by fielding a nimble catamaran to beat a New Zealand monohull sloop in an acrimonious defense last September.

San Diego has lodged an appeal, but Fay has indicated that Auckland will not be denied a major yachting event.

It is important financially for Auckland to have a regatta.

"There will be dramatic changes in spending because people have been so cautious since the share market crash," said Don Turkington, an Auckland economist.

"When a city of one million gets to put on steam, it can be a self-fulfilling dream."

Since the 1987 world stock market crash,

the New Zealand economy has dived. Auckland, where a quarter of the country's population lives, was hit last but badly, with numerous businesses going bust and unemployment soaring.

The America's Cup shot-in-the-arm starts with the property market as wealthy yachting enthusiasts snap up prime housing. Shop owners, hoteliers and boat-builders will also benefit.

But business and local government leaders have been quick to distance themselves from the worst of the blatant commercialism for which they criticize San Diego.

They are also determined to learn from the West Australian port of Fremantle, which staged the event in 1986-1987, where a slump followed a short-lived boom brought by the regatta.

"It will not be a quick-fix exercise," said Phil Warren, the deputy mayor of Auckland. "There were pots of gold promised in Fremantle, but a lot of the expectations were unrealistic. We will benefit from their mistakes."

Fay also avoids bold predictions of a windfall.

"I don't think anyone will be able to add up the financial benefit, he said. "and I don't think the object of the exercise is to add it up."

He added: "The cup should be valued in terms of competition, valued in terms of tradition and valued in terms of sportsmanship."

Tourism officials say Auckland is unlikely to suffer Fremantle's post-cup depression, even if it loses its first defense, as the Australians did, and the circus moves on.

"I don't see a bust if we lose the cup," said Bob Franklin of Auckland's tourist office. "Auckland is already a major tourist center and the yachting capital of the world."

But analysts say the luster of the America's Cup is dulled by the flaming prospect of preparing facilities for about 25 yachting syndicates, each with up to 100 members.

BOOKS

JAMES BALDWIN: Artist on Fire

By W.J. Weatherby. 412 pages. \$19.95. Donald I. Fine, Inc., 128 E. 36th Street, New York, N.Y. 10016.

JAMES BALDWIN: The Legacy

Edited by Quincy Troupe. 267 pages. \$10.95; cloth, \$21.95. Touchstone/Simon & Schuster, 1230 Avenue of the Americas, New York, N.Y. 10020.

Reviewed by Charles R. Larson

At the time of James Baldwin's death in 1987, the critical consensus (my own included) was that something in Baldwin's writing had died several years earlier. His recent works were largely ignored, perhaps considered passé. As W.J. Weatherby states in his moving and poignant portrait of the writer, "The more the civil rights movement lost popular white support, the more vulnerable Baldwin" became.

As a child, Baldwin had to confront not only the problems of being poor, black, ugly (he was called "frog eyes"), and illegitimate but also the rages of his tyrannical stepfather. Ironically, when he made his first move away from the family fold, it was into his father's preacher footsteps — the story he fictionalized so compellingly in "Go Tell It

on the Mountain" (1953). The second move, only a few years later, was toward an openness about his homosexuality, revealed in his second novel, "Giovanni's Room" (1956). Weatherby tells us, however, that a few years earlier, Baldwin had had an affair with a black woman that lasted a year. He even bought her a wedding ring.

Both of these early autobiographical novels appeared after Baldwin had left the United States for Paris, a route he followed in the footsteps of Richard Wright, his sometime mentor. Critics typically refer to the bitter falling out between the two writers as the "shedding of a father figure" on Baldwin's part. Whatever it may have been, by the time that his essays began to be collected (in "Notes of a Native Son," in 1955), Baldwin's fame had begun to overshadow Wright's. That acclaim reached its peak with Baldwin's next two works: "Another Country" (1962), his third novel, and "The Fire Next Time" (1963), the celebrated essay that placed him in the center of the civil rights movement. Both volumes were best sellers.

Weatherby chronicles Baldwin's life as a kind of sexual outlaw who became the darling of liberal, white America. His picture of Baldwin during his final decade stresses the trajectory of decline. Baldwin, he tells us, was addicted to tranquilizers, cigarettes and scotch. He had fears of insanity, suffered the agonies of writer's block, and endured the disappointments of many abandoned

projects. By the end of the volume, Weatherby's metaphor of an artist on fire has dwindled to little more than a faint flicker, no longer burning but smoldering.

Yet something must be wrong here, or the sense of Baldwin's vitality, suggested in Quincy Troupe's "James Baldwin: The Legacy," wouldn't seem so contradictory. Baldwin's funeral in Harlem, Dec. 8, 1987, attended by 5,000 mourners, offers a partial clue. So do the eclectic tributes included in Troupe's volume, though, finally, it is Baldwin's writing itself — as eloquent and as perceptive as ever — that cries out for some sense of re-evaluation. Reading the lengthy "Last Interview," conducted by Troupe several weeks before Baldwin's death, and re-reading Baldwin's introduction to "The Price of the Ticket: Collected Nonfiction" (1985), only an obtuse reader would misjudge the significance of the man's career.

The tributes from Baldwin's colleagues are studded with remarkable images that attest to the writer's continuing brilliance. Amiri Baraka describes Baldwin as an "elegant giant of our oppressed African-American nation," who gave his people the "black warm truth."

Charles R. Larson is professor of literature at American University and the author of several books on Third World fiction. He wrote this for The Washington Post.

BRIDGE

By Alan Truscott

MAJOR matches are often decided by a burst of scoring in a single session of play. This was true Saturday in both Grand National Team semifinals, played at the Vanderbilt Club in Manhattan, Long Island. After 16 deals in the final, played at the Cavendish Club in Manhattan, Alan Sontag's foursome led the team headed by Joel Friedberg by 34 imps. An odd episode occurred on the diagrammed deal Saturday. Alan Sontag as South reached three no-trump, which can always be made provided the declarer ducks the first spade lead and later leads toward the heart king. West led a club since South seemed to be prepared for a spade lead. South won and cashed the diamond king. East now had a small accident: he played a heart in error. This was quickly corrected, but the heart was an exposed card that would have to be played at the earliest opportunity. Sontag therefore changed course and led a low heart from his hand. This did indeed guarantee a heart trick, but it opened the door for the defense. West could and did put up the queen, and should have shifted to a low spade. Allowing the queen to hold would not have helped South, for East could then revert to clubs. But West did not find the spade shift. When he persevered with clubs, South was able to win and set up his heart trick to make the game. In the replay the same contract was reached and a spade was led. South erred by winning the first trick, and the contract failed giving the Sontag team 10 imps.

NORTH
♠ 15
♥ 375
♦ A8543
♣ 1052

WEST
♠ N 1043
♥ Q83
♦ Q984
♣ Q984

EAST
♠ A1082
♥ J9
♦ J753
♣ A982

SOUTH (D)
♠ A982
♥ KQ1072
♦ A8
♣ A

North and South were vulnerable.
The bidding:
South West North East
1 ♠ 2 ♠ 3 ♠ Pass
3 N.T. Pass Pass Pass
West led the club four.

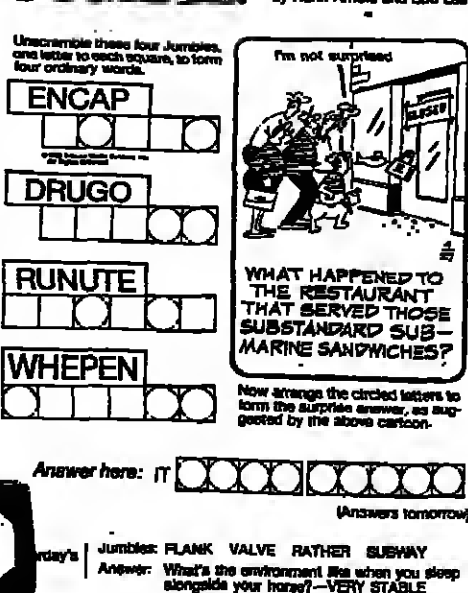
DOONESBURY



DENNIS THE MENACE



JUMBLE



BLONDIE



PEANUTS



BEETLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD

